

#D
1751
1561
10-36
1978

AGRICULTURAL OUTLOOK

USDA • ECONOMICS, STATISTICS, AND COOPERATIVES SERVICE • AO-36

ALBERT R. MANN LIBRARY
PERIODICAL ROOM
ITHACA, NEW YORK 14850

SEP 19 1978



U.S. CROP OUTPUT (1964-ESTIMATED 1978)

SEPTEMBER 1978



September 1978/AO-36

Page

1 Agricultural Economy

If weather remains generally favorable through harvest, large supplies will be exerting downward pressure on crop prices. Working in the other direction, however, are continued economic growth at home and abroad, continued expansion of livestock feeding in most developed countries, and government programs designed to build reserves for future years and support prices for major field crops.

4 Food and Marketing

With expected moderate seasonal declines for farm commodity prices serving as an offset against further increases in marketing charges, grocery store prices should be much more stable during the rest of the year.

6 Commodities

Total crop output this year will be nearly as large as in 1977. Farmers cut acreage in response to government programs, but good summer weather is boosting yields.

10 Storage and Transportation

The large crops in prospect this year imply a need for more storage capacity than is available commercially for the majority of the 20 major wheat, feed grain, and soybean producing States.

11 Policy

Provisions of the 1979 Wheat Program and the Agricultural Credit Act of 1978, both major new policy actions announced in August, are outlined briefly.

12 World Agriculture and Trade

Our farm exports are expected to hit an all-time high of \$26.6 billion in fiscal 1978. But the new record is not expected to stand for long as higher prices and continued strong demand could produce another new high in export values in the coming fiscal year.

16 Statistical Indicators

A tabular presentation of key data series for the food and fiber sector.

Economics Staff: Larry V. Summers (202) 447-7330, David Dyer (202) 447-7330, Ruth Elleson (202) 447-7330, Dewain H. Rahe (202) 447-8261, A. Donald Seaborg (202) 447-7340

Managing Editor: Geraldine Schumacher (202) 447-8590

Editorial Staff: Adrie S. Custer, Neal Holland Duncan, Shirley Hammond, B. Eric Van Chantfort

Statistical Coordinator: Eileen Johnson

Production Staff: Dolores C. Burrell, Patricia D. Hughes, Sheila L. Turner

For further information on subjects discussed in this report, you may wish to contact the persons listed at the end of individual sections.

Contents of this report have been approved by the World Food and Agricultural Outlook and Situation Board and the summary was released August 30, 1978. Materials may be reprinted without permission. Agricultural Outlook is published monthly, except for the January/February combined issue.

Annual subscription: \$17.00 U.S., \$21.25 foreign. A 25-percent discount is offered on orders of 100 copies or more to one address. Order from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. Make check payable to Superintendent of Documents. Allow 6 to 8 weeks for delivery.

Annual subscription in microfiche: North American Continent addresses \$25.75 first order, \$21 for each additional order to same address, other foreign addresses \$45 each subscription. Order from National Technical Information Service, Springfield, VA 22161. Refer to publication code NTISUB/C/151 and make check payable to NTIS.

Address change: Please return the mailing label from your most recent issue, including your new address, to: Agricultural Outlook, Room 482 GHI Bldg., ESCS-USDA Washington, D.C. 20250. Allow 6 weeks for processing.



Expanded Markets in Prospect for Large Crops

Prospects for total U.S. crop output in 1978 only a little below last year's record high suggest ample supplies of most food and feed crops will be available to fill expanded domestic and export market needs for the next year. While uncertainty concerning the size of this year's harvests will persist until crops are in the bin, summer weather has been generally favorable for crop development in this country and throughout most of the Northern Hemisphere.

Large supplies will be exerting downward pressure on most crop prices, at least through the main harvest seasons. At the same time, however, a number of forces will be pushing in the opposite direction to limit seasonal price declines and hold average crop prices above last fall's low level. These forces include:

- Continued growth in the U.S. and most other world economies.
- Continued expansion of livestock feeding activity in most of the developed world.
- Government programs designed to build reserves, support prices, and maintain a balance between supply and demand for major field crops.

On balance, average prices received by U.S. farmers for crop commodities are expected to slip a little further from their spring peaks from now through fall. But crop prices will remain well above last year's lows and likely will average 5 to 10 percent above a year earlier in the fourth quarter.

For all of 1978, farm-level crop prices likely will average around 5 percent above 1977, reflecting the fact that prices at the beginning of this year were below a year earlier.

Feed Costs and Livestock Prices Encourage Expanded Feeding

Large feed supplies, along with much more favorable producer prices for livestock products compared with recent years, are expected to result in continued expansion of fed beef, pork, and poultry output this fall and on into 1979. However, a reduced cow herd and declining output of non-fed beef likely will keep total supplies of red meat and poultry about the same as a year earlier.

In addition, after 2 years of expanding output, dairy production is contracting a little in 1978 and may be down about 1 percent for the year. Egg output, which was up sharply during the first half of 1978, will probably also dip to near year earlier levels this fall, as low prices caused producers to cut back.

Prices for cattle, hogs, and broilers rose sharply during the first half of the year, mainly reflecting strong consumer demand.

slightly smaller supplies on a per capita basis, and uncertainty concerning future supplies. While some of these advances have been eroded this summer, meat animal and poultry prices are expected to register only a small seasonal decline this fall and remain well above a year earlier. Farm milk prices this fall probably will run above support levels and could average about a tenth above last year. In total, prices received by farmers for livestock and products currently are expected to dip just a little this fall but average 20 to 25 percent above a year earlier.

For all of 1978, farm prices for livestock and products may average around a fifth above 1977.

These output and price prospects for the crop and livestock sectors continue to point to a much stronger farm economy through the remainder of 1978 compared with a year ago. Consequently, earlier estimates for a 12-percent jump in this year's gross farm income still seem well within reach, and 1978 net farm income before inventory adjustment still appears likely to be up around \$5 billion from last year's \$20 billion.

Food Prices To Level

Moderate seasonal declines for farm commodity prices are expected to offset further increases in marketing charges this fall. Thus, grocery prices should be much more stable during the remainder of the year.

Among major food categories, lower prices for meat and fresh produce—items which contributed heavily to food price

FARM PRICES DIP SEASONALLY



increases earlier this year—are expected to just about offset further price increases in most other food categories.

Largely reflecting increases which had occurred by July, second half grocery prices may run 10 to 12 percent above a year earlier. However, retail prices for all foods for all of 1978 still are expected to average around a tenth above 1977, reflecting smaller year-earlier differences for grocery prices at the beginning of the year.

Economic Growth To Slow In Second Half

Economic growth in the second half of 1978 will likely slacken from the second quarter rate but remain in the range of 4 to 5 percent at an annual rate. This will give the year-average growth rate of about 4 percent in 1978.

Much of the uncertainty about the economy through 1978 and 1979 focuses on the spectre of high inflation. And price

pressures in the future could build from a direction new to the late 1970's—higher wage settlements. This will be a more important area to watch if the unemployment rate continues its downtrend.

Price inflation tends to distort relative prices and costs over time, especially with respect to inventory and investment decisions and causes hardships to those on fixed and low incomes. And the ability of the economy to sustain price increases depends heavily on consumers' ability to purchase more expensive goods.

Higher social security deductions next year and, in the absence of a tax cut, higher income taxes, will erode the consumer's spending power. If sales drop, output will be cut and a recessionary tone could develop.

But cautious business behavior, especially with respect to inventory buildups, and a strong performance both in plant and equipment investment and in housing would dampen any tendency for a downturn.

Second Quarter Economic Update

Stronger real output growth and a higher inflation rate marked the revisions of second quarter GNP estimates.

Real output GNP adjusted for price change—is now estimated to have grown at an 8-percent annual rate in the second quarter, compared with a 0.1-percent decline in the first quarter and a 5.9 percent rate during the same period in 1977.

Prices, as measured by the GNP implicit price deflator, a broadly based measure which reflects changes both in prices and the composition of output, rose at a 10.8-percent annual rate in the second quarter. This is a faster pace than first reported and a stronger rise than the 7.1-percent rate in the first quarter. The implicit price deflator in the second quarter of 1977 increased at a 7.7-percent annual rate.

Consumer spending continued to advance at a brisk pace during the second quarter,

KEY STATISTICAL INDICATORS OF THE FOOD AND FIBER SECTOR

	1975	1976	1977				1978				
	Annual	Annual	II	III	IV	Annual	I	II	III	IV	Annual
									Midpoint of forecast ¹		
Prices received by farmers (1967=100)	185	186	189	176	179	183	193	213	213	208	207
Livestock and products (1967=100)	172	177	174	178	177	175	195	215	220	219	212
Crops (1967=100)	201	197	207	174	182	192	192	212	205	198	202
Prices paid by farmers, all items (1967=100) ..	180	191	204	202	202	202	211	218	222	223	219
Production items (1967=100) ²	186	198	211	207	206	208	217	226	230	231	226
Farm production (1967=100)	114	117	—	—	—	121	—	—	—	—	—
Livestock and products (1967=100)	101	105	—	—	—	106	—	—	—	—	—
Crops (1967=100)	121	121	—	—	—	129	—	—	—	—	—
Farm income: ³											
Cash receipts (\$ bil.)	88.2	94.5	95.7	91.3	99.6	96.1	102.2	109.0	109	108	107
Livestock (\$ bil.)	43.0	46.2	46.6	47.8	49.5	47.6	52.7	57.5	59	59	57
Crops (\$ bil.)	45.1	48.3	49.1	43.5	50.1	48.5	49.5	51.5	50	49	50
Gross farm income (\$ bil.)	96.9	104.1	106.7	102.7	114.8	108.1	115.8	122.5	122	122	121
Production expenses (\$ bil.)	75.9	83.0	87.0	86.0	91.4	88.0	93.5	96.0	97	98	96
Net income before inventory adjustment (\$ bil.)	21.1	21.1	19.7	16.7	23.4	20.1	22.3	26.5	25	24	25
Net income after inventory adjustment (\$ bil.) ⁴	24.5	18.8	20.2	16.8	25.5	20.6	22.3	24.5	24	23	23
Market basket: ⁵											
Retail cost (1967=100)	173.6	175.4	178.8	180.3	180.6	179.2	188.1	199.1	202	204	198
Farm value (1967=100)	187.7	177.8	178.6	179.8	178.6	178.1	191.1	211.1	212	209	206
Spread (1967=100)	165.1	174.0	179.0	180.7	181.9	180.0	186.3	191.9	197	201	194
Farm value/retail cost (%)	41	38	38	38	37	38	38	40	40	39	39
Retail prices:											
Food (1967=100)	175.4	180.8	192.1	194.8	195.4	192.2	201.8	210.5	216	217	211
At home (1967=100)	175.8	179.5	190.3	192.7	192.8	190.2	199.9	210.0	215	216	210
Away-from-home (1967=100)	174.3	186.1	199.1	202.8	205.4	200.3	210.3	215.9	221	225	218
Per capita food use (1967=100)	102.0	105.8	—	—	—	104.7	—	—	—	—	105.2
Animal products (1967=100) ⁶	99.7	104.0	101.4	103.6	105.7	103.7	101.3	101.4	103.3	105.0	103.3
Crop products (1967=100)	104.9	107.9	—	—	—	105.9	—	—	—	—	107.4
Agricultural exports (\$ bil.) ⁷	21.9	22.8	6.2	6.3	5.0	24.0	6.1	6.5	7.9	6.1	26.6
Agricultural imports (\$ bil.) ⁷	9.5	10.5	3.6	3.9	3.1	13.4	3.0	3.9	3.4	3.4	13.7

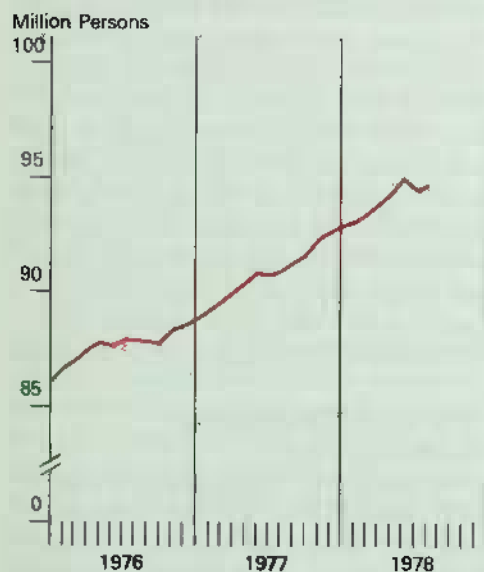
¹ These midpoint estimates are surrounded by considerable uncertainty. An analysis of root mean square errors of the annual forecast made in the third quarter since 1971 indicates that the final estimate will be within the following percentages 2 out of 3 times for: prices received by farmers, 4 percent; cash receipts, 4 percent; net income before inventory adjustment, about a tenth and retail prices for all food, less than 1 percent. ² Including interest, wages, and taxes. ³ Quarterly data are seasonally adjusted at annual rates; 1977 and first half 1978 data are preliminary estimates. ⁴ Includes net change in farm inventories. ⁵ Quarterly data are given at annual rates. 1978 revised to conform with the new Consumer Price Index-All urban. ⁶ Quarterly data exclude fish products. ⁷ Annual and quarterly data are based on Oct.-Sept. fiscal years ending with indicated years; quarters indicated refer to fiscal year quarters not calendar year quarters, i.e. IV 1977 means July-Sept. 1977, I 1978 means Oct.-Dec. 1977, etc..

rising about 3.8 percent from the first quarter and some 11½ percent above a year earlier.

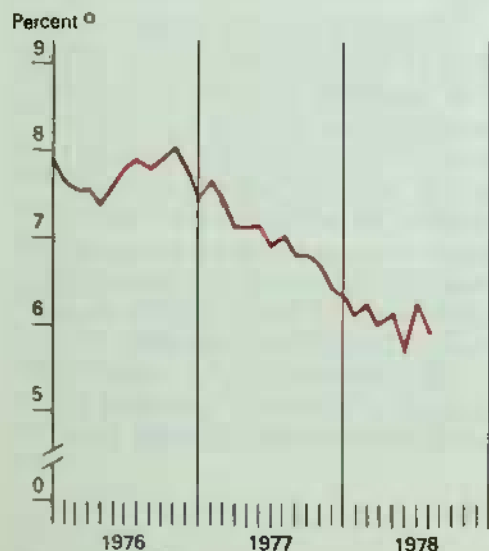
Some of the strong consumer spending behavior over the past two years and especially in recent months, is likely related to "buying-in-advance" psychology as consumers attempt to avoid anticipated further price increases, as evidenced by a savings rate below the historical average and record amounts of new installment debt. But strong employment gains are also a major factor in both the strong GNP growth and consumer spending increase.

About 4 million jobs have been added in the economy in the past year and over 6½ million since mid-1976. Concurrently, the unemployment rate dropped from over 7½ percent in the first half of 1976 to the 6.0-6.2 percent range seen in the first half of 1978. These employment gains, coupled

EMPLOYMENT GROWS...



... AS UNEMPLOYMENT RATE FALLS



Seasonally adjusted.

with gains in real income of more than 3½ percent for the past year, have given impetus to consumer demand for food and fiber products.

Mainly reflecting this strong demand and further sharp increases in food prices, consumer expenditures for food and beverages in current dollars jumped 4 percent from the first to the second quarter and were up nearly a tenth from a year earlier.

Off-Farm Earnings Important Source of Farm Income

U.S. farm operators had total family earnings of \$52 billion in 1977 with nearly \$31½ billion earned off the farm. The off-farm income of farm operator families has risen persistently over the past decade. And except for 1973, off-farm income has matched or exceeded net income from farming (after inventory adjustment) every year since 1966. Thus, such income is crucial to those families receiving it and to the cash flow picture for agriculture. The relative year-to-year stability in off-farm income softens sudden downward changes in net income from farming for those families earning off-farm income.

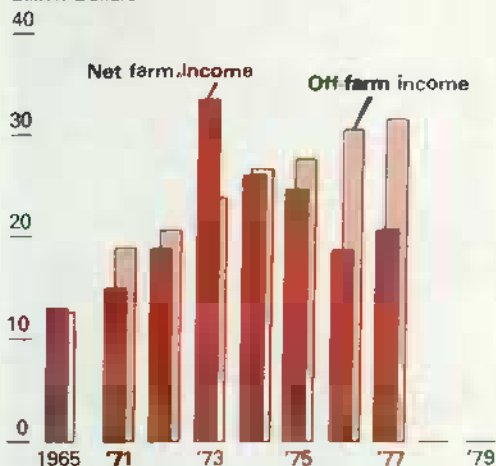
The bulk of the off-farm income is earned by operator families who have annual farm sales of less than \$20,000. During 1977, 81 percent of all off-farm income was estimated to be earned by the 69 percent of operator families with annual sales of less than \$20,000. Families on larger farms received 89 percent of the marketings and 79 percent of the net income from farming operations.

The accompanying bar charts show average family income for operator families grouped above and below the \$20,000 sales mark. Those on larger farms have significant amounts of off-farm income that supplements their large earnings from farming. On the other hand, the smaller farms have a substantial income from off the farm which supplements some earnings from farming.

However, because of inflationary pressures, farms in the lower sales classes tend to shift into a higher value of sales class over time. Also, the fixed nature of sales classes establishes a narrow range of average net income within sales classes. This, plus the consequences of inflation, can wrongly suggest that farms within fixed sales classes are characterized by stagnant farm earnings and are increasingly dependent on off-farm income. This may or may not be the case—other evidence is needed to make the argument.

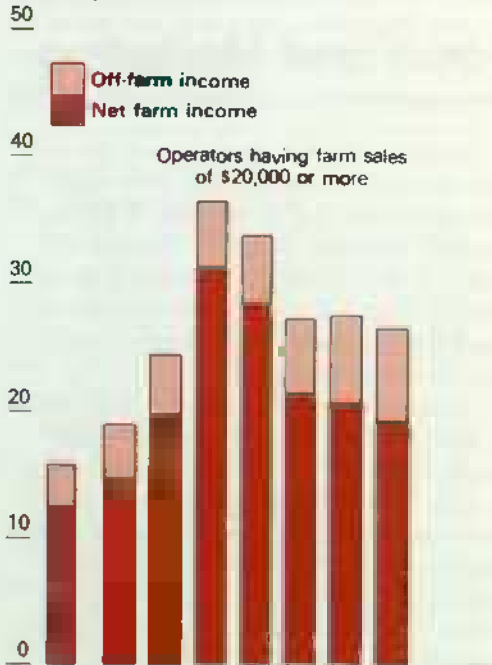
OFF-FARM INCOME RIVALS FARM INCOME FOR FARMERS

Billion Dollars



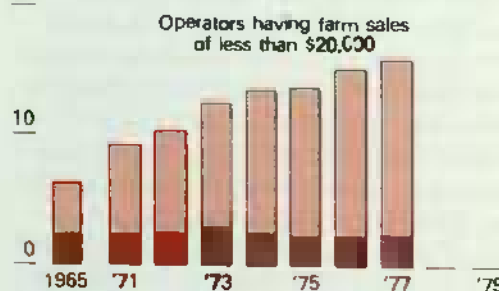
ON LARGE FARMS THE BULK OF INCOME COMES FROM FARMING...

Thousand Dollars



... WHILE SMALLER FARMS DEPEND MORE ON OFF-FARM INCOME

20





Food and Marketing

Retail food prices have begun to level off this summer following their steep climb during the first half of this year. If weather remains generally favorable through the major crop harvesting season and livestock output measures up to present indications, food prices will hold about steady through the remaining months of 1978.

Seasonally large food supplies along with a little less pull from consumer demand might cause average farm-level prices to slip a little further from their midyear peak. However, continued upward pressure from marketing and distributing costs are expected to take up any slack. For all of 1978, retail food prices still are expected to average around a tenth above last year.

Third quarter grocery store food prices are likely to average about 2 percent above the second quarter and around 11 percent above a year earlier, mainly reflecting increases which had occurred through July. Although average prices received by farmers for domestic food commodities are likely to be moving slightly lower on a month-to-month basis, the third quarter average may be slightly above the second quarter reflecting the steep price rise through June. Compared with a year earlier, the farm value of U.S. produced farm foods may be up about 18 percent during the third quarter.

Marketing spreads, reflecting the effect of inflationary pressures on processing and marketing costs as well as the delayed pass through of earlier farm commodity price increases, are expected to jump nearly 3 percent from the second to the third quarter and average about 9 percent above a year earlier.

Prices for fishery products and imported foods probably will rise moderately from the second quarter and average 6 percent above a year ago. Lower coffee prices will be more than offset by price increases for most other items in this group.

Fourth quarter grocery prices are expected to show little change, on the average, from the third quarter. Lower prices for red meat and poultry along with seasonal declines for fresh fruit may about offset moderate increases for most other food categories. Average farm prices for food commodities likely will decline seasonally from the third quarter, about offsetting increases for marketing spreads and higher prices for imported foods and fish. Relative to a year earlier, fourth quarter grocery store prices are expected to remain 10 to 12 percent higher.

FOOD PRICE RISE SLOWING



For all of 1978 grocery store food prices still appear likely to average around a tenth above 1977. Although second half prices may exceed their year-earlier level by a slightly wider margin, the average increases for the entire year is held down by smaller year-earlier differences at the beginning of this year when prices were just beginning to rise.

Farm prices of domestically produced foods, now expected to average about 15 percent above a year earlier, will account for almost half of the average 1978 grocery price rise. Marketing charges probably will average 7 to 8 percent higher for the year and account for almost two-fifths of the total increase. Prices for fish and imported foods, now expected to average nearly a tenth above last year, account for the remainder of the 1978 grocery price rise.

Prices for foods consumed away from home did not rise as rapidly as grocery store prices during the first half of the year, reflecting the fact that raw food commodities account for a smaller proportion of the final price for restaurant meals and snacks. However, these prices are expected to continue to rise through the second half of the year as costs for labor and other non-food inputs continue to rise. For all of 1978, food away-from-home prices now seem likely to average about 9 percent above a year earlier, only slightly less than the expected rise for grocery store foods. *Larry Summers, (202) 447-7330 and Henry Badger, (202) 447-8489*

1978 Food Consumption Above Last Year

Per capita food consumption this year is now estimated to be up about $\frac{1}{4}$ percent from 1977. Smaller per capita use for foods from animal sources will likely be more than offset by increases in foods derived from crops.

The consumption of all animal foods will likely be off nearly $\frac{1}{4}$ percent from 1977 on a per capita basis. The decline is due to the anticipated drop of almost 4 pounds per person in beef consumption. Increases for poultry, dairy, fish, and egg product consumption are not expected to offset the reduction in meat. Poultry consumption will show the largest increase as producers have responded to the higher prices for protein foods by sharply expanding output.

The consumption of crop related foods presently is expected to gain about $1\frac{1}{2}$ percent from last year. Increases are in

prospect for vegetables, potatoes, and fruit reflecting larger supplies. The consumption of both fresh and processed fruits and vegetables may rise. Small increases are expected for cereal products and sweeteners. Coffee consumption likely will be down again this year because of continued high prices. *Allen Johnson, (202) 447-8707*

Market Basket Statistics Revised

The farm-food market basket statistics have been revised to adapt to the weighting structure and retail price indexes of the new Consumer Price Index for all urban consumers (CPI-U) which the Bureau of Labor Statistics began publishing earlier this year.

Market basket statistics were developed to measure changes in the cost of marketing domestic farm-originated foods. They also measure changes in prices paid by consumers and returns received by farmers for these foods. The revised market basket reflects purchase patterns of all urban consumer households from July 1972 through June 1974.

The market basket of farm food excludes fishery products and imported foods such as sugar, coffee, tea, and bananas. It also excludes meals purchased away from home. Market basket statistics comprise four series: (1) retail cost, (2) farm value, (3) farm-retail spread, and (4) farm value as a percentage of retail cost (farmer's share).

Price spreads for all individual foods, except beef and pork, which previously were published monthly and quarterly, have been discontinued because retail price data from BLS are no longer available. Price spreads for individual products will be reported again as soon as appropriate retail price data become available from BLS or other reliable sources. Retail prices for beef and pork were obtained from a special ESCS retail meat survey.

Beginning with January 1978, the retail cost of the revised farm food market basket is determined by the index of domestically produced farm foods, a component of the food at home portion of the CPI-U. Retail price indexes for the major food groups from the CPI-U are used to determine price movements for the farm food market basket groups.

The new indexes for the 1978 market basket are comparable to indexes published in earlier years for the unrevised market basket series. To maintain comparability, indexes were pivoted at December 1977 by setting the new index equal to the unrevised index.

Until a complete revision of the farm values has been completed on an item-by-item basis, farm values for each product group were estimated by applying the ratio of the farm value to retail cost from the old series to the new retail cost weights for December 1977. Farm values of the groups were summed to obtain the total farm value for the new market basket. Current farm values for product groups are estimated each month from movements in farm values from the old series.

Revised historical data for the market basket and for the major product groups were obtained by scaling the level of the old series to the level of the new series in December 1977. Revised market basket data will be presented only as index numbers (1967=100)—dollar figures will not be published.

The primary impact of the interim revision on the market basket statistics was to lower the relationship of the farm value to the retail cost by about one percentage point. The decrease resulted from a shift in the composition of the new basket toward more highly processed foods for which the ratio of the farm value to retail cost is lower than for lessor processed foods. *Henry Badger, (202) 447-8489*

MARKET BASKET OF FARM FOODS¹

Period	Retail cost	Farm value	Farm-retail spread	Farm value/retail cost
	1967=100			Percent
1968 ...	103.6	105.4	102.6	38
1969 ...	109.1	114.9	105.6	40
1970 ...	113.7	114.0	113.6	38
1971 ...	116.7	114.6	116.4	37
1972 ...	121.3	125.3	119.0	39
1973 ...	142.3	168.7	126.4	45
1974 ...	161.9	181.1	150.4	42
1975 ...	173.6	187.7	165.1	41
1976 ...	175.4	177.8	174.0	38
1977 ² ...	179.2	178.1	180.0	38
1977 ³				
I ...	177.1	175.6	178.1	37
II ...	178.8	178.6	179.0	38
III ...	180.3	179.8	180.7	38
IV ...	180.6	178.6	181.9	37
1978 ³				
I ...	188.1	191.1	186.4	38
II ...	199.1	211.1	191.9	40

¹ Revised to adapt to weighting structure and retail price indexes for domestically produced farm foods from the new Consumer Price Index for all urban consumers (CPI-U) published by the Bureau of Labor Statistics. Market basket represents all food originating on U.S. farms sold in retail food stores. The farm value is the payment to farmers for equivalent quantities of food products less allowance for byproducts. The farm-retail spread is the difference between retail cost and farm value.

² Preliminary.

Coffee Update

A winter cold snap was reported in Brazil on August 15, but the freeze was much less severe than in July 1975. Only about 9 percent of Brazil's coffee producing trees were affected. Moreover, for the areas which were hit, the low temperatures were significantly higher than those in 1975.

While the final impact of this latest freeze on world supplies is not known, it is expected to be minimal and have only a limited impact on 1979/80 production. With the 1978/79 crop now being harvested in Brazil, world supplies appear adequate, if not plentiful.

Retail prices are still high in many consuming countries, including the United States. Consequently, world consumption is not expected to match world production, suggesting a significant increase in 1978/79 ending stocks. The result is that green coffee prices will most likely continue to decline for most of the next 12 months, although the recent cold snap could cause some temporary increase in green bean prices. *Fred Gray, (202) 447-7290*

Rising Energy Prices To Increase Food Costs

Rising energy prices will likely increase farm production costs by 2 to 3 percent and raise consumer food bills by 4 to 5 percent beyond the increases otherwise expected over a 10-year period from 1975 to 1985, according to a recent USDA report.

Based on energy price projections made by the Federal Energy Administration in April 1977, real prices of energy used by U.S. farmers are expected to increase 27 to 39 percent during the 10-year period, depending upon the energy policy established.

The National Energy Plan proposed in May 1977 would likely raise energy costs to farmers, but would help insure energy supplies for food production. Successful energy conservation could offset nearly a third of the projected energy price increases.

Energy for producing, processing, and marketing food accounts for about 12 percent of the \$200 billion consumer bill in the United States. Consumers spend another \$11.5 billion in energy costs for food storage, preparation, and consumption.

Single, free copies of "Energy Policies: Price Impacts on the U.S. Food System" (AER-407) are available from ESCS Publications, Room 0054-S, USDA, Washington, D.C. 20250. Please indicate your zip code.



Commodities

Farmers are checking harvesting equipment, making arrangements for storage facilities, and watching the market more closely these days as the major fall harvest season approaches. Of course, corn and other feed grains are already being harvested in some southern areas, but in the Corn Belt harvest will not be in full swing until late October or November.

Large food and feed grain crops are nearing harvest, even though a late spring gave farmers great difficulty getting the seed in the ground. Apparently many farmers switched to shorter maturing varieties of corn and subsequent warm weather has enhanced maturity. Thus, the possibility of frost damage to corn this fall may not be as great as earlier anticipated. However, soybeans are coming on late and they could be susceptible to an early frost in major producing areas.

There is still considerable uncertainty about the final size of this year's harvest, but crop output this year should be large enough to provide ample feed for an expanding livestock and poultry feeding industry and to offer consumers a large quantity of food in all major food groups.

Total crop output this year will be nearly as large as in 1977, on the basis of early August readings. Farmers cut acreage in response to government programs, but good summer weather is boosting yields.

With good growing conditions offsetting smaller acreage, the August 1 forecast of the corn crop was 6.5 billion bushels, 2 percent more than the record large crop last year. However, much uncertainty still exists, so this year's crop could range from 6.1 to 6.9 billion bushels. The corn crop has progressed better than anticipated following the late spring. The August estimate put corn yields at 96 bushels per acre, up from 91 last year and only just slightly below the all-time record 1972 yield. And weather since the first of August has been quite good for growing corn, according to weekly weather reports.

Sorghum was forecast at 712 million bushels, 10 percent below last year; oats at 637 million bushels, 15 percent smaller; and barley at 440 million bushels, up 6 percent. Sorghum and oat yields are off a little while barley yields are higher.

In total, feed grain production is forecast about the same as last year's record production of 202 million metric tons.

Midsummer prospects also include a record 1.8-billion-bushel soybean harvest this fall, 3 percent above last year. The increase is due to a 9-percent larger acreage since estimated yields—at roughly 28 bushels per acre—are down almost 2 bushels from last year. Soybeans were planted much later than usual in most areas and summer growing conditions have not been as favorable as for corn. Thus, soybean production still might range from 1.7 to 1.9 billion bushels.

U.S. CROP PRODUCTION INDEXES

Item	1970-75	1976	1977	1978
	1967=100			
Feed grains . .	107	120	124	125
Hay-forage . .	105	102	108	113
Food grains . .	113	141	131	125
Sugar crops . .	117	128	117	119
Cotton	153	142	195	159
Tobacco	95	108	98	100
Oil crops	134	132	171	174
All ¹	113	121	129	128

¹ Includes hay seeds, pasture seeds and cover-crop seeds, and some miscellaneous production not included in separate groups of crops shown.

Wheat production will total close to 1.8 billion bushels, compared with 2.0 billion or more in each of the past 3 years, as higher yields fail to offset the sharp cut in acreage. Production of Durum and other spring wheat is up, but not enough to offset the important winter wheat crop which is estimated to be down 18 percent.

Cotton production, estimated at 11.8 million bales, is off sharply this year because farmers reduced acreage, and yields will be well below the very high 1977 levels. Lack of moisture and high temperatures in the Texas High Plains continue to hurt production prospects in the most important cotton producing State, and insects are a problem in California. So, many cotton farmers are faced with disappointing yields in 1978.

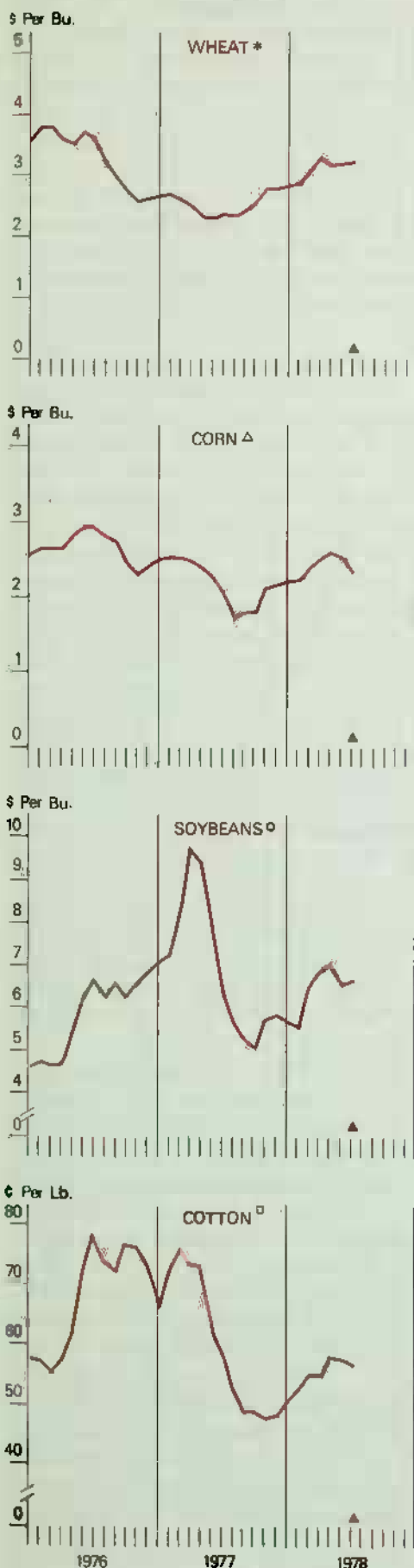
Production is on the upswing for most other crops. Small increases are likely for sugar crops and tobacco, while hay and forage production is sharply above last summer's, which was plagued by dryness. The important fall potato crop is large and the supply of major fruits and vegetables through the fall will remain adequate for fresh and processing use. However, as consumers have observed in recent months, production of some fruits and vegetables has been hurt by the late spring or poor growing conditions. Peaches, pears, and tomatoes are being marketed in smaller volume this year.

Big Crops Dim Price Prospects

With large production in prospect in 1978, prices for grains will likely be under pressure until after harvest. Feed grain farmers are faced with markets that likely will run near the loan price provided by government price support programs. With growing demand for soybeans, the outlook for soybeans is brighter.

Prices of feed grains during the coming season probably will average about the same as in 1977/78. Prices may hover near the loan rate through the harvest period, but remain above last fall's very low prices because of a moderate increase expected in feed grain use and isolation of part of the feed grain supply under government price support loans and in the farmer-owned grain reserve.

CROP PRICES BEGIN TO LEVEL OFF



* No. 1 Hard Winter, Kansas City. Δ No. 2 Yellow, Chicago. ○ No. 1 Yellow, Chicago. □ Spot Market, 1-1/16" SLM. ▲ Average through July 24.

To allow farmers to hold grain when prices are too low, the price support loan program for 1977-crop corn and sorghum has been reopened until September 29 to enable farmers to put their grain into the farmer-owned reserve. Also, if it appears that the goal of 670 million bushels (corn equivalent) of feed grain in the reserve by October 1 will not be met from 1977 crops, entry of 1978-crop corn and sorghum may be permitted beginning October 1.

Wheat prices may continue to run above 1977 through the end of the year, but they may not be much different than in recent weeks. Total wheat supplies in 1978/79 are estimated to be down 4 percent and export prospects continue to be encouraging, especially for the first half of the marketing year.

Wheat exports during the next several months will show increased sales to Latin America, Eastern Europe, and Asia (including the Peoples Republic of China). Exports for the marketing year will almost certainly exceed 1 billion bushels—and may equal the 1.12 billion bushels shipped in 1977/78.

Soybean prices have made considerable day to day movements this summer. However, the monthly average farm price dropped from \$6.77 per bushel last May to about \$6 in August. Prices may be under pressure this fall, but they should still average well above the \$5.28 per bushel of last October.

Demand for soybeans is expected to continue strong well into the 1978/79 marketing year due to expanding requirements for both domestic and foreign markets. Prospects now look good for some increase in U.S. soybean crushings and in exports from the record rates now estimated for 1977/78. Thus, total use likely will approximate expected output. This points to a small carryover on September 1, 1979.

The United States will be the only major producer-exporter of soybeans this fall since Brazil's 1978 crop was severely damaged by drought. Most of Brazil's crop (estimated at about 10 million metric tons) already has been either shipped or contracted for export. However, Brazilian production should bounce back in 1979—perhaps rising to 13 to 14 million metric tons—reflecting increased plantings and prospects for better yields. But since Brazil's 1979 crop will not be available until next spring, we face only light competition from Brazil and other oilseed-producing countries during

the next several months. Consequently, demand for U.S. soybeans should continue at record levels.

Cotton prices have improved over the last few months, reflecting strong exports, tight commercial stocks, and uncertain production prospects.

Although well below year-earlier levels for most of the season, prices for base grade SLM 1 1/16-inch cotton increased about 12 cents per pound from December to exceed year-earlier levels by mid-August. Paralleling movements in spot market prices, December futures increased to around 65 cents per pound by late August. *Feed grains, George R. Rockwell, Jr. (202) 447-8636; Soybeans, Stanley A. Gazelle, (202) 447-8444; Cotton, Sam Evans, (202) 447-8776; Wheat, Tom Elam, (202) 447-8636*

Low Feed Costs and Firm Livestock Prices To Encourage Expanded Feeding

A large supply of reasonably priced feed is a basic ingredient for an expansion in livestock and poultry feeding. Of equal importance to feeders is a strong market for livestock and poultry. Since the current outlook includes both of these conditions, the expansion in fed beef, pork and broilers will likely continue well into 1979.

Total production of red meat and poultry is holding about steady this year. A moderate decline in beef production is being offset by a small increase in pork and a sharp increase in broilers. The decline in beef production reflects the impact of the smaller cattle herd.

Cattle feeders have been turning a profit on most cattle shipped to market this year—a major reason why placements have been up 11 percent so far. Feed costs and feeder cattle prices were low last fall. Choice feeder cattle in the fall of 1977 were selling for about \$40 per 100 pounds in most areas. Since then, feed prices have risen moderately while feeder cattle prices have been bid up rather sharply. Recent quotes have been in the low \$60's. But largely offsetting these higher costs has been a \$10 to \$12 per 100-pound increase in fed cattle prices.

Cattle feeders likely will continue to put more cattle on feed this fall, but year-to-year increases may be small. Higher feeder cattle prices will add to total feeding costs and will cut into returns, unless fed cattle prices move up more than now seems likely.

Hog farmers are also taking steps to expand production. Farmers have said they intend to increase farrowings about 4 percent during the second half of 1978. And with plenty of feed and prospects for only moderate weakness in hog prices, production could expand further in early 1979.

But keep in mind that hog raising has shifted to more large-scale operations in recent years and this has changed the ease with which producers can increase the size of their operation. To expand, new facilities must often be constructed and management skills need to be top flight, especially when a large-scale operation is contemplated. This probably is tempering the current increase in pork production. Weather and disease problems have also cut into production plans.

First half pork output was close to January-June 1977 production. This summer, pork production is running moderately above a year ago, but output this fall may be only slightly larger than it was last fall.

Broiler production may be up close to 10 percent this summer and, based on eggs set in recent weeks, production may rise a little faster during the seasonally low fall months. Broiler producers have enjoyed favorable returns this year, despite output gains of 8 to 10 percent. So higher output is likely well into 1979.

September Situation Report Schedule

Situation reports which will be released by USDA's World Food and Agricultural Outlook and Situation Board this month are:

Title	Off Press
Feed	September 5
Poultry and Egg	September 6
Fruit	September 7
Sugar and Sweetener	September 11
Ag Supply and Demand	September 13
Livestock and Meat Supp.	September 20
Tobacco	September 22

Single copies of the above reports may be obtained by writing to: ESCS Publications, Room 0054 South Building, USDA, Washington, D.C. 20250.

Milk production appears to be readjusting slightly after the sharp increases of the preceding 2 years, even though producers incomes continue relatively favorable. Milk output in July remained about 1 percent below a year earlier, as milk cow numbers were down more than 1 percent and output per cow was just barely above last year.

Milk output probably will stay below last year's accelerating production during the second half of 1978 and could be down about 1 percent for all of 1978.

Livestock and Poultry Prices Reflect Strong Demand

Prices of cattle, hogs, and broilers rose in the first half as total meat production about matched year-earlier levels while consumer incomes strengthened. Much of this price strength will be maintained through the fall as meat supplies pick up seasonally.

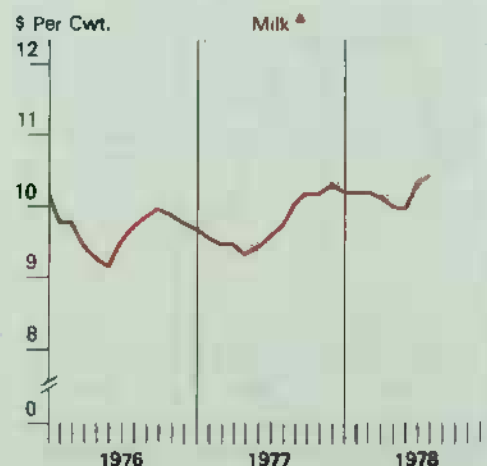
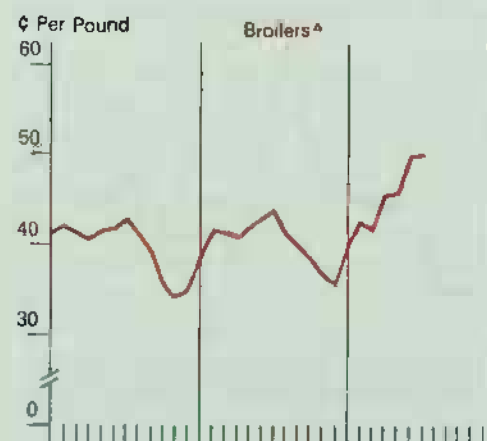
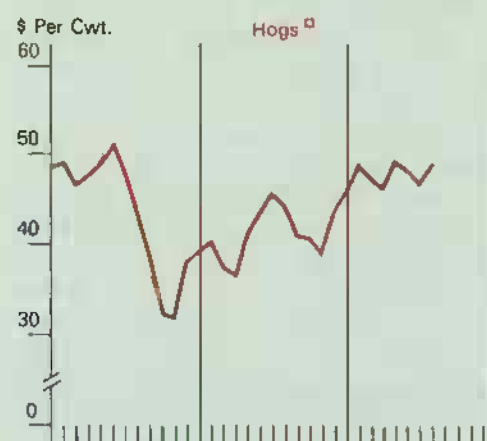
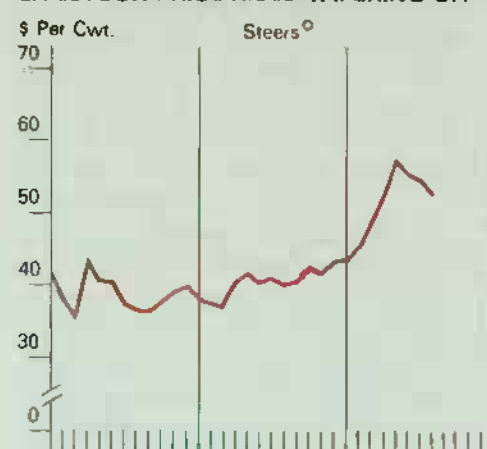
Fed cattle prices were in the low \$50's per 100 pounds during late August, compared with a \$40.50 average last summer. More fed beef is reaching the market, but sharp reductions in nonfed beef are pulling total beef production down.

Fed cattle prices are expected to hold in the low-to-mid \$50's through the fall. But a sizable number of fed cattle could go to slaughter in late summer and early fall, based on the midyear cattle on feed inventory. If this develops, cattle prices are not likely to advance very much until these cattle are out of the way.

Hog prices in 1978 have been helped by less beef and gains in consumer incomes. From a low of about \$39.30 per 100 pounds last November, hog prices rose to more than \$49 in May before dipping a little in the late spring and early summer. Barrows and gilts were back in the \$49-\$50 range by late August and only moderate price weakness is likely this fall as pork production rises seasonally.

Broiler prices have declined sharply since early July as broilers filled the marketing system. Summer prices will average in the 46 to 48 cent per pound range before dropping seasonally in the fall. However, strong red meat prices will keep broiler prices above a year ago.

LIVESTOCK PRICE RISES TAPERING OFF



○ Choice steers, Omaha. □ Barrows and gilts at seven markets. ▲ Broilers at nine cities. ▲ Farm price.

The combination of declines in milk output, low commercial stocks, and continued strong increases in commercial use of milk and dairy products resulted in substantially higher wholesale dairy product prices in late July and early August.

American cheese prices had risen almost 8 cents per pound at Wisconsin assembly points by late August. Meanwhile, wholesale butter prices were up about a dime a pound since last spring and were close to the level at which the large USDA butter stocks are available. Small amounts of butter have been bought back from USDA.

These higher wholesale prices are now being reflected in farm milk prices. August prices probably were significantly above the support price for the first time in almost 2 years. The support price will have to be raised substantially at the start of the new marketing year on October 1, but farm milk prices this fall probably will run above the increased support price if milk output and commercial use materialize as expected. The average price received by farmers during the second half of 1978 could be up about a tenth from a year ago.

Commercial use of milk and dairy products during the first half was almost 5 percent larger than a year ago. As the impacts of the higher retail prices are felt, gains probably will diminish compared with strengthening sales during the second half of 1977, but demand is expected to stay strong, especially for cheese. *Cattle and Hogs, James Nix, (202) 447-8972; Poultry, William Cathcart and Gerald Rector, (202) 447-8801; Dairy, James Miller, (202) 447-8915*

Commodity Briefs

Wheat: USDA has announced a 20-percent set-aside requirement for wheat producers who wish to receive government benefits on wheat harvested in 1979. The effectiveness of the set-aside program in controlling acreage and production will depend on the level of producer participation.

If participation in the wheat program is near last season's approximately 75-percent level, the acreage harvested in 1979 could match the 57 million of this year.

Wheat farmers have a record of strong use of government programs, and are expected to continue participation at a high rate. However, if participation slips in the face of improved prices, next year's acreage might creep upward.

The first indication of farmers' plans for next year's wheat production will come when the *Winter Wheat and Rye Seedings* report is released on December 21. Any increase in winter wheat plantings would point to a possible larger 1979 wheat harvest and might put downward pressure on prices. *Tom Elam, (202) 447-8636*

Sugar: World sugar production for 1978/79 is forecast to be about the same to a little smaller than a year earlier. However, expected 1978/79 world consumption may fall short of production, suggesting a further slight buildup in already large world stocks.

While world prices strengthened slightly in August, they have been below production costs in many countries for over 2 years. As the harvest gets underway, and firmer estimates of yields and sucrose recovery become available, world prices will reflect more clearly the actual size of the crop.

Sugar beet production estimates in the U.S. for 1978/79 indicates a crop of 3.25 to 3.45 million tons may be in the making, perhaps a little above 1977 production. A cane sugar outturn of about 2.68 million short tons (raw value) is now expected, about the same as a year ago. *Fred Gray, (202) 447-7290*

Potatoes: Potato growers again exceeded their earlier planting intentions of potatoes available for fall harvest. Potential supplies larger than a year ago are expected in the Pacific Northwest and also in the East. Only the Midwest may have fewer this fall. The first estimate of fall production will be made October 11.

Storage stocks of frozen potato products were 775 million pounds on August 1. This is 8 percent more than a year earlier, but it does not suggest an oversupply in view of the expanding demand for these products.

Dry Beans: The first estimate of dry bean production calls for a 19-percent larger crop this year, making this the largest crop since 1974. The industry is hoping to develop increased export volume in the new marketing year. *Charles Porter, (202) 447-8666*

Tobacco: Flue-cured tobacco prices continued to foretell a record season average as prices through August 28 average \$1.32 per pound, 12 percent above last season and 11 cents above the support level. Back of the price hike are the better quality crop with a higher percentage of upper stalk relative to lower stalk tobacco and a strong foreign demand for high quality tobacco.

Good weather is enhancing yields, resulting in a flue-cured crop near 1,200 million

pounds or 5 to 6 percent above production and consumption last season. Burley production was estimated at 607 million pounds August 1, down 2 percent from last season, but slightly above anticipated use in the marketing year ending September 30.

Unless the size and quality of this season's crop is cut from now until the end of harvest, growers will likely achieve record gross and possibly a record net income from tobacco. *Robert H. Miller and Richard Hall, (202) 447-7290*

Fruit: Apples and grapes head the list of larger crops this season, while peaches, pears, and nearly all other deciduous crops are down.

Smaller supplies of fresh deciduous fruits available this summer were reflected in substantially higher prices. Apple prices will reflect the larger crop and decline slightly, but prices for white and varietal grapes are at higher levels this summer and the small pear crop will also trigger higher prices for that commodity.

The California pack of canned cling peaches, apricots, and pears will be substantially lower than last year. Contract prices for raw product were higher this season. In response to the larger apple crop, grower prices will be down slightly, but both processor and consumer demand for processed apple products will remain strong. *Jules Powell and Ben Huang, (202) 447-7133*

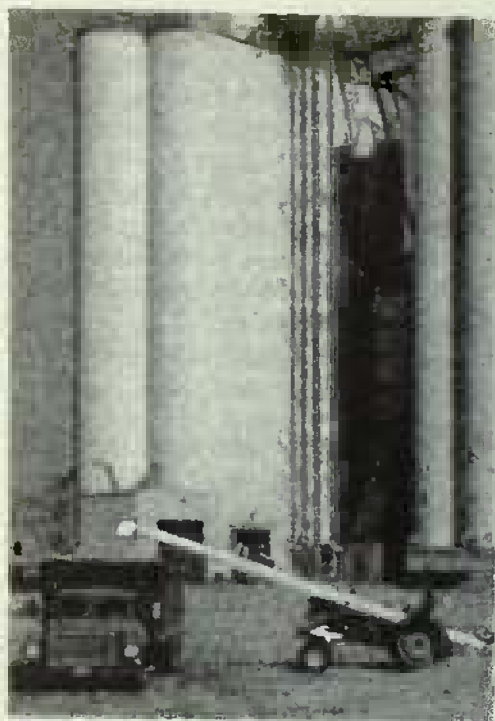
New Multi-Million Dollar Market for Cherries Opens in Japan

A multi-million dollar annual export market for the U.S. sweet cherry industry was opened up this summer, offering Japanese the opportunity to buy United States-grown sweet cherries in their country for the first time.

A fumigation treatment for codling moths developed recently has made the new market possible. Japan, the only major fruit-growing nation in the world that does not have fruit-destroying codling moths, had previously quarantined U.S. sweet cherries and other deciduous fruits to keep the codling moth out of Japan.

U.S. officials expect first year cherry shipments to Japan to reach about 1,400 tons—over \$2 million worth—and predict the market will increase.

Japan's domestic cherry harvest ends about the time U.S. production peaks. With a population of 120 million, the Japanese market potentially can absorb all the cherries U.S. growers care to ship.



Storage and Transportation

The bulk of the Nation's new winter wheat crop has now been harvested and in most instances grain storage capacity has been available to accommodate it. A contributing factor was the extended wheat harvest which tempered the large flow of grain moving to storage and marketing channels.

August 1 crop production estimates were used to update the on-farm storage needs and capacity situation for the 20 major wheat, feed grain, and soybean producing States analyzed in the previous issue (August AO). While corn production estimates increased sharply from the previous month, estimates of wheat and soybeans were reduced for the majority of the 20 States analyzed. Overall, total crop production estimates increased for 14 of the 20 States.

On August 1, seven of the 20 States held grain stocks that exceeded their individual commercial storage capacity, up from six States on July 1. However, the seven States collectively required only 447 million bushels of on-farm storage capacity, down from 469 million bushels on July 1.

The on-farm storage needs for Minnesota and North Dakota increased because of the

recent barley and winter wheat harvests. Nebraska and Colorado acquired implied on-farm storage needs for the same reason.

However, the estimated disappearance of grain during July was responsible for lowering on-farm storage needs in Oklahoma, Montana, and Wisconsin and eliminating them in Iowa.

Yearend Storage Situation

The majority of the 20 States still require more storage capacity than is available commercially. The same 15 States as last month (Kansas, Nebraska, Iowa, Illinois, Ohio, Minnesota, North Dakota, Montana, Colorado, Missouri, Kentucky, Michigan, Indiana, North Carolina, and Wisconsin) will require a total of 5.7 billion bushels, up 500 million bushels from the previous estimate. This is about 3.0 billion less than the estimated total on-farm capacity of the 20-State total.

The increase in implied on-farm storage needs by yearend is primarily the result of increased corn production estimates. In spite of this, only one State, Ohio, had on-farm storage needs in excess of its estimated on-farm capacity. A possible implied on-farm storage deficit of 32 million bushels exists for Ohio by December 1.

While overall grain storage prospects appear adequate, the large amounts of grain

under loan coming due during the fall may pose problems for some commercial facilities and individual grain producers.

For instance, corn loans outstanding through December for the 20 States total over 417 million bushels. Over 85 percent of this total is stored at on-farm locations. With corn prices below the \$2 per bushel loan payment, it is expected that many producers will turn this grain over to the government to make room for the fall harvest. As a result, much of this corn can be expected to move to commercial facilities.

Thus, this fall's grain harvest promises to be attended more by a shortage of transportation than by lack of storage space. In mid-August commercial elevators held substantially more free space than in the same period of 1977. But with the bumper crops now envisioned and the anticipated movement of loan grain off the farm, transportation facilities may be hard pressed to move grain now stored at country points to terminal markets.

The shortage of narrow door boxcars and covered hopper cars that has persisted throughout this year lessened substantially during July. The anticipated record harvest, however, can be expected to return daily shortage levels to 25,000 cars per day or possibly even more.

ON-FARM STORAGE NEEDS AND CAPACITY¹

State	Implied on-farm storage needs ²		1978 on-farm storage capacity ³	Implied on-farm storage deficit ⁴	
	Aug. 1, 1978	Dec. 1, 1978		Aug. 1, 1978	Dec. 1, 1978
			1,000 bu.		
Kansas	0	5,160	370,071	—	—
Oklahoma	5,719	0	80,770	—	—
Texas	0	0	263,939	—	—
Nebraska	10,325	579,065	832,795	—	—
Washington	0	0	62,073	—	—
Iowa	0	1,165,856	1,492,455	—	—
Illinois	0	775,069	1,153,807	—	—
Ohio	0	323,754	291,735	—	32,019
Minnesota	251,815	910,343	1,191,819	—	—
North Dakota	72,647	468,036	691,300	—	—
Montana	30,531	215,451	280,781	—	—
Colorado	13,779	67,052	111,331	—	—
Missouri	0	221,500	346,452	—	—
Kentucky	0	52,779	75,193	—	—
Tennessee	0	0	65,850	—	—
Arkansas	0	0	56,031	—	—
Michigan	0	140,729	188,402	—	—
Indiana	0	389,376	506,874	—	—
North Carolina	0	73,939	126,051	—	—
Wisconsin	61,822	299,727	437,435	—	—
TOTAL	446,638	5,687,836	8,625,204	—	32,019

¹ Preliminary. ² 1978-79 crop production plus June 1 stocks less consumption to date indicated less commercial storage space (excluding export elevator capacity). ³ Based on April 1 grain storage capacity survey by Inventory Management Division, Agricultural Stabilization and Conservation Service, USDA. Press Release No. 2103-78. ⁴ Computed as implied on-farm storage needs less on-farm grain storage capacity. Negative values omitted.

Editors note: Incorrect capacity figures reflecting on-farm storage maximums and implied on-farm storage deficits were inadvertently inserted in the table accompanying the August AO grain storage article. The correct numbers along with the updated storage situation appear in the accompanying table.

DAILY AVERAGE OF GRAIN CAR SURPLUS OR SHORTAGE

	1978		1977	
	Boxcar	Cvrd. Hopper	Boxcar	Cvrd. Hopper
July 1	4037	20202	7912	1486
July 8	3223	13618	6318	-32
July 15	2985	16635	5140	-62
July 22	2204	14683	3773	1415
July 29	2178	12451	3024	-1035
Aug. 5	2194	12421	2656	-1050

Rail Rates To Continue Up

The Nation's railroads have indicated that they will seek rate increases of 8 percent for most commodities and 10 percent for coal, grain, fresh meats, salt, hydraulic cement, brick, and lime. If granted, these increases would take effect on January 1, 1979—and would mean significantly higher transportation charges for farm products and inputs in the coming year.

Rail rates have already increased significantly. The July 1978 rates for farm products were 8.4 percent above year-earlier levels and food product rates had increased 9.5 percent.

Truck rates do not appear to have risen at the same rate, but are nonetheless reported to be up. *T. Q. Hutchinson and Floyd Gaibler (202) 447-6363.*

Farm Storage Facility Loan Activity Increases

Loans under USDA's program to help farmers build on-farm storage are running more than double that in any full year since the program began in 1949. In fact, the \$419.7 million loaned in the first 9 months of fiscal 1978 equals about one-third of the amount loaned during the first 29 years of the program.

The program has provided funding for roughly 48,000 new storage facilities this year with a storage capacity of 491.2 million bushels. Since the program began, over \$1.5 billion has been loaned to farmers to build over 3 billion bushels of on-farm storage.

Under the program, eligible producers may borrow up to 85 percent of the cost of buying and installing storage facilities and drying equipment. The loan limit is \$50,000. The most recent program change authorized loans for structures to store high-moisture forage and silage and for remodeling existing storage facilities to increase capacity or efficiency.



Policy

Major provisions of the 1979 wheat program were announced by USDA in mid-August. Set-aside will continue at 20 percent for the 1979 crop, which means that participating farmers must set-aside 20 acres for every 100 acres of wheat planted for harvest as grain.

Participants who meet the set-aside requirement and voluntarily reduce their planted wheat acreage by at least 15 percent (versus 20 percent last year) from the 1978 crop level will be eligible for target price protection on 100 percent of their 1979 wheat acreage. The program will credit farmers who reduced their acreage under the wheat program in 1978.

Support prices were not changed—the target price continues at \$3.40 a bushel and the loan level at \$2.35. The national program acreage of 57.1 million acres, about the same as the preliminary 58.0 million for 1978, represents the land needed to produce enough wheat for expected domestic and export needs and carryover.

While the 1979 program will again permit farmers to graze their wheat for 6 months, a graze-out and haying program is not included for next year.

The program objectives aim for U.S. stocks at 7.5 percent of world wheat use by June 1, 1980, or approximately 1.1 billion bushels, which would include a farmer-held reserve of 400 million bushels (15 million metric tons) and a special reserve of 150 million bushels (4 million metric tons) to meet U.S. food aid commitments.

The new program is expected to maintain wheat prices at the 1978 average (about \$2.75 a bushel).

Government outlays are expected to drop about \$280 million from expenditures for the 1978 crop because of substantially lower loan outlays and elimination of graze-out payments.

Farm Lending Programs Overhauled

The Agricultural Credit Act of 1978, signed into law August 4, will provide farmers and rural communities \$4 billion of additional credit. The new law has two main purposes: to authorize higher individual loans to farm operators and to stimulate commercial funding by guaranteeing commercial loans at current market interest rates.

Provisions of the new law include:

- An increase in the limit of Farmers Home Administration (FmHA) individual loans from \$100,000 to \$200,000 for direct and insured loans and to \$300,000 for guaranteed loans.
- An increase in the limit for individual farm operating loans from \$50,000 to \$100,000 and to \$200,000 for guaranteed loans.
- Authorization for a new "economic emergency loan" program for farmers with temporary credit problems with a \$400,000 limit per individual.
- A combined debt limit of \$650,000 per borrower for economic emergency and other types of nonemergency FmHA real estate and operating loans.
- Authorization for a 40-year repayment period for economic emergency loans secured by land, and a 7-year repayment period for loans with other types of security. Under special conditions a 20-year non-land loan may be authorized.
- Authorization of FmHA to make loans to family-sized farms operated by partnerships, cooperatives, and corporations. The previous law restricted eligibility to farmers operating as individuals.
- Establishment of a special direct and insured loan program for owners or operators of small or family farms, with interest rates at no more than 5 percent and reduced payments during the initial years and larger payments later.

Under the Economic Emergency Loan Program, FmHA will guarantee loans made by commercial lenders or make loans directly to farmers if other credit is not available. Interest rates on guaranteed loans are negotiated between the borrower and the lender; insured (direct) loans will be available at 8½ percent, subject to change to reflect the cost of money to the Government. Economic Emergency Loans will be available until May 15, 1980, and are limited to a maximum amount of \$4 billion in principal outstanding.

The new Act also extends the Emergency Livestock Credit Act of 1974 to September 30, 1979, and amends it to specifically extend credit for the feeding operations of farmers and ranchers who own custom-fed livestock.

Loan Program Reopened for Corn and Sorghum

USDA recently re-opened the loan program for 1977-crop corn and sorghum until September 29 so that farmers without loans on those crops could obtain loans to place their grain in the reserve.

Early entry of 1978-crop corn and sorghum under price support loan into the farmer-owned reserve will be permitted if it appears that the reserve goals will not be met from 1977-crops by October 1.

USDA has set a reserve goal of 670 million bushels (corn equivalent) of feed grains, including 500-575 million bushels of corn, and 40-60 million bushels of sorghum. This includes feed grains held in the farmer-owned reserve as well as feed grains the government has taken over through its price support loan program.

As of August 25, producers had placed 186 million bushels of corn and 27 million bushels of grain sorghum in the farmer-owned reserve.

Due to the critical storage problems for corn in some areas, USDA will increase producers' loans to help pay for their transportation costs to move corn to available storage for entry into the reserve. State Agricultural Stabilization and Conservation Service committees will determine the critical storage areas.

Wheat has already exceeded its original reserve goal of 330 million bushels. Secretary Bergland does not intend to authorize

early entry of the 1978-crop wheat into the farmer-owned reserve but has been urging wheat farmers to put their 1978-crop under government loans so that they will be eligible to participate when their loans mature.

Storage Payment Rule Changed

Farmers may now continue to earn storage on commodities in "release status" in the farmer-owned grain reserve program if prices are low in their State. Previously, storage earnings have halted if the national average market price stayed above the "release level" through the month following the release authorization.

Under the new formula, a crop's national loan rate is subtracted from the release level and the difference added to each State's loan rate. If the resulting figure is greater than the published USDA midmonth report of "prices received by farmers, by state," storage earnings will continue for farmers in that State. This will allow all the commodities in the reserve to be in a "release status", but farmers in States where prices are low continue to earn storage payments.

For example, in early July USDA announced the release level had been reached for barley in the farmer-owned grain reserve. If the average price had continued above the release level on July 31, the release authorization would have continued and storage payments would have been stopped (except for farmers in areas with low prices, as defined above).

However, with midmonth barley prices down 30 cents from a month earlier, the release authorization was withdrawn on August 2, reserve agreements went back in effect, and farmers storage earnings for barley continued uninterrupted.

ELS Cotton Loans Extended

The Commodity Credit Corporation has authorized an 8-month extension after the regular loan maturity date on CCC loans on 1977-crop extra long staple (ELS) cotton. The extension will aid producers in selling most of their cotton under loan and is consistent with the policy of keeping stocks under producer control. Cecil Davison (202) 447-8840.



World Agriculture and Trade

The fiscal 1978 export record, currently forecast at \$26.6 billion, isn't likely to hold for very long. Higher prices and continued strong demand for our farm products abroad could lead to another new high in value in the coming fiscal year. However, little, if any, growth is seen for volume at this time.

World demand for high-protein meals is currently very strong, and Brazil's short soybean crop this year will benefit our soybean and product exports through the first half of fiscal 1979. However, the 1979 Brazilian soybean crop is likely to be up substantially, which means U.S. soybeans and meal will face stiffer competition in the second half. Fiscal 1979 U.S. soybean exports are expected to expand somewhat, but soybean meal and oil exports may drop back from the anticipated record highs of fiscal 1978.

Fiscal 1979 U.S. wheat and feed grain exports could dip slightly in volume. The 1978/79 world grain crop is developing well, and 1978/79 world grain trade is likely to contract.

U.S. cotton exports are expected to total a bit below the 5.6 million bales expected in fiscal 1978. Foreign production and consumption are expected to rise in 1978/79. However, cotton crops in several

other exporting countries, such as Pakistan, India, and Sudan, have encountered weather problems.

Of course, forecasts for fiscal 1979 trade are highly tentative at this time. Weather conditions thus far in the 1978/79 growing season have been very favorable for crop production, but these conditions could change rapidly. Many Southern Hemisphere crops are not yet planted.

Weather at home and abroad during the next 12 months will have a strong bearing on fiscal 1979 export volume and prices. So, too, will policy changes and economic growth in the major developed and developing markets, particularly textile demand and the profitability of livestock industries.

Exports to Developed Countries To Gain Modestly in Fiscal 1979

Sales to Western Europe may gain modestly in value in fiscal 1979, although little change is seen in volume.

Expected good 1978 West European grain harvests could reduce U.S. wheat and feed grain exports to the region in fiscal 1979. Prospects for increased oilseed and meal exports will depend on Brazil's export availabilities and the continued expansion in use of feed grain substitutes in the European Community. Exports of animal products and tobacco to Western Europe may rise somewhat in fiscal 1979.

The value of our farm exports to Japan may increase slightly in fiscal 1979. Volume increases are expected for shipments of feed grains, soybeans, and wheat. Cotton and animal product exports are expected to decline, and tobacco shipments may also drop somewhat.

Strong Growth in Exports to Developing Countries To Continue

Continued strong growth is expected for U.S. farm exports to Southeast and East Asia in fiscal 1979. Economic growth in these fast-growing countries is spurring demand for imported food, feed, and tobacco. Volume increases are anticipated for U.S. cotton, wheat, feed grains, soybeans, and tobacco.

Further substantial gains are also expected for U.S. agricultural exports to West Asia. Volume increases are anticipated for wheat, rice, feed grains, and protein meal. Value gains are expected for many other items, including animal products, fruits, and vegetables.

Fiscal 1979 U.S. agricultural exports to Latin America are expected to total near the fiscal 1978 value. The anticipated decline in exports to Brazil will likely be offset by small increases to other areas. Although dropping somewhat, U.S. wheat exports to Brazil should remain above normal because drought has affected parts of Brazil's 1978 wheat crop.

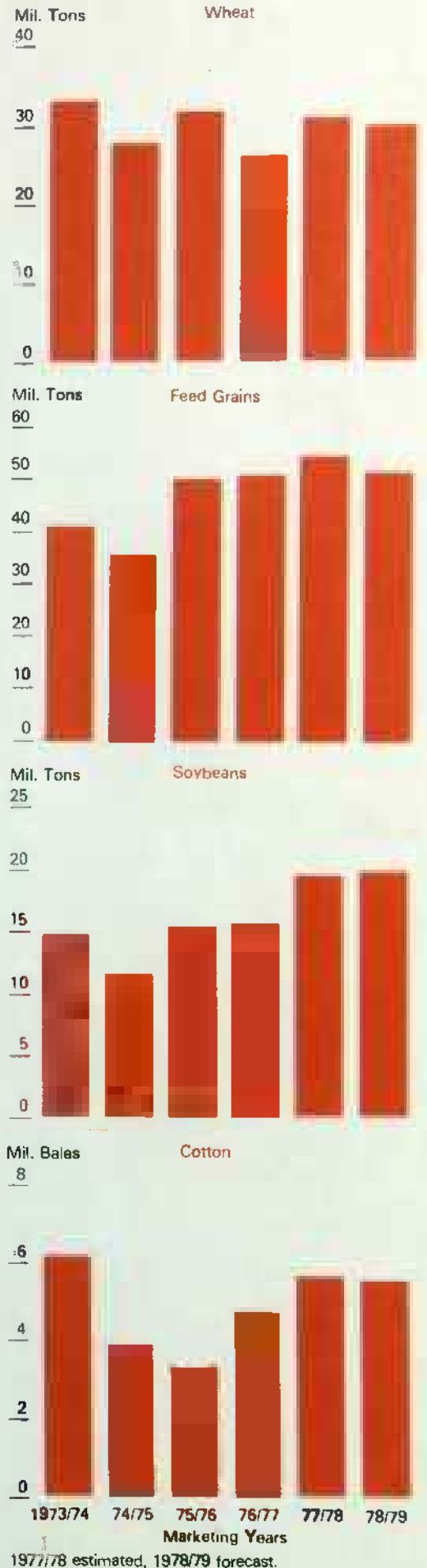
Exports to Centrally Planned Countries May Not Match 1978

Weather conditions for the 1978 Soviet grain crop have been generally favorable. If no serious weather problems develop during the remainder of the growing season, a bumper crop is likely. Soviet feed use of grain is expanding rapidly, and grain stocks need to be rebuilt. Soviet grain and oilseed imports from the United States should remain high in fiscal 1979.

In fiscal 1979 the value of U.S. agricultural exports to Eastern Europe may increase slightly. East European grain production in 1978 is likely to be close to 1977's 94 million tons. Total grain imports of the region in 1978/79 are expected to remain near 1977/78's 12½ million tons, but the U.S. share is expected to drop. Thus, U.S. grain exports to Eastern Europe could fall 5 to 10 percent. U.S. exports of soybeans and soybean meal are expected to continue to expand.

Chinese harvests are likely to be improved in 1978. Thus, the value of U.S. agricultural exports to the People's Republic of China is expected to drop in fiscal 1979. Cotton and wheat will comprise most of the value.

U.S. EXPORTS WILL REMAIN HIGH IN 1978/79



1977/78 estimated, 1978/79 forecast.

World Grain Production and Stocks To Expand

The 1978/79 world crop of wheat, coarse grains, and rough rice is expected to rise to about 1.5 billion tons. World utilization of grain also is expected to reach a record high in 1978/79, but some stock buildup is anticipated. Of course, many crops in the Southern Hemisphere have not yet been planted, and the final 1978/79 harvest could differ from the current projections by 4 to 5 percent.

World wheat production may increase around 8 percent in 1978/79, as the reduction in the U.S. crop is more than offset by expanded production in other areas. Larger crops are expected in the USSR, Western Europe, and several other regions.

A small rise is expected in the 1978/79 world coarse grain crop, thanks largely to the probable strong recovery in production in the USSR and Brazil.

The 1978/79 world rice crop is expected to rise marginally to around 373-million tons (rough basis). Half of the increase is attributable to the expected increase in China's rice production from 126.5 million tons in 1977 to about 130 million tons. Larger crops are also foreseen in Indonesia, India, Bangladesh, Thailand, and Brazil. *Sally Breedlove Byrne, (202) 447-8260*

Weather Hinders Soviet Corn; Sorghum Crops

Primarily as the result of an usually cool growing season, 1978 does not appear to be a good year for corn or grain sorghum in the USSR, a USDA team reported recently on its return from a 3-week study trip in the Soviet Union.

Because temperatures have been significantly lower than normal in the major corn growing regions—as well as throughout the main agricultural areas of the Soviet Union—it is likely that a large proportion of the 3.3 million hectares of corn seeded for grain will not mature sufficiently to be harvested as grain. (In 1977, a crop of 11 million tons of corn was harvested from 3.4 million hectares.)

The weather conditions affecting the prospective corn harvests in the USSR this year will also greatly reduce the sorghum

crop. However, the Soviet sorghum crop is comparatively insignificant and varies from year to year, depending upon the weather.

The objective of the team, which visited the Soviet Union under the terms of the U.S.-USSR Agreement on Cooperation in Agriculture, was to study the economic and technological factors affecting the production, processing and utilization of corn-for-silage and grain sorghum. Some of their main observations were:

- The lack of early-season maturing varieties of both corn and sorghum is a serious problem under Soviet conditions.

- Soviet officials have recommended that in the future "corn-for-grain" technology be applied to all corn plantings so that grain (rather than silage) may be harvested in the event of favorable weather.

- Significant progress has been made in developing corn varieties resistant to drought.

- Corn is usually ensiled at a comparatively immature stage and often mixed with other crops, such as sunflowers, grain sorghum, soybeans, alfalfa and straw.

- Bunker silos, made of concrete, dominate. Upright silos are rare.

- Seed production is the main problem in the grain sorghum industry and all the seed produced in the USSR must be artificially dried. Heavy reliance is placed on imported seed.

- Open pollinated varieties of sorghum, which have semi-loose heads, appear to be the most suited to Soviet conditions.

More Corn To The Soviets

A sale of 100,000 metric tons of corn which private exporters had reported for an unknown destination was designated for the Soviet Union in early August. This shipment, nearly 4 million bushels, brings sales to the USSR during the second year of the 5-year agreement up to 10.9 million metric tons of corn and 3.5 million metric tons of wheat.

TOTAL CONCENTRATES FED TO LIVESTOCK IN THE USSR

Year	Million tons
1972	109.6
1973	117.0
1974	127.9
1975	118.9
1976	117.4
1977	143.0

Soviet Feed Use Up Sharply

Grain utilization in the USSR has been rising steadily and rapidly except for the disruptions in 1975 and 1976 caused by the disastrous crop in 1975. For example, concentrates fed in 1977 were up 22 percent over 1976. This large increase caused USDA to raise its estimate of Soviet grain-for-feed use to 125 million tons for the current 1978/79 year.

Soviet grain utilization in 1978/79 has been boosted further by a higher-than-average dockage-waste figure (excess moisture, trash, and handling losses). Preliminary harvesting results indicate that above normal precipitation in the major USSR grain growing regions is complicating harvest progress. Consequently, the dockage-waste losses in 1978/79 could be above the normal 10 percent, representing perhaps as much as 30 million tons out of USDA's current total crop production forecast of 220 million tons.

Both of these upward revisions in USSR grain utilization should leave the Soviets in a position that grain stocks could not be built up from their relative low levels unless net imports in 1978/79 are significantly above the current forecast of 14 million tons. *Michael D. Zahn (202) 447-8380*

Four Trillion Cigarettes

The global output of cigarettes increased an estimated 2 percent to 4-trillion, 127-billion in 1977. USDA reported recently that cigarette production jumped substantially in the People's Republic of China, the Soviet Union, Japan and Brazil but dropped in the United States, West Germany, France and the United Kingdom. U.S. per capita consumption dropped 1 percent to an estimated 4,064, or about 11 cigarettes per person 18 years old and over per day. The report said that government and health organizations' antismoking efforts are largely responsible for the downturn, but an increase in the smoking age population more than offset the drop.

Fiscal 1978 Export Wrap Up

Fiscal 1978 U.S. agricultural exports are expected to total about \$26.6 billion, up a tenth from the fiscal 1977 record value. Volume is up to about 118 million metric tons from 102 million last year. But prices are off about 6 percent from last year's record high, despite recent price strength.

Here's how our exports are stacking up for some of our key markets:

Western Europe, our top customer, will be buying slightly less from us, in terms of value, than in fiscal 1977. On a volume basis, feed grain exports will be down about a fourth, and there will be smaller declines for tobacco, animal fodders, animal products, potatoes, and some other vegetables. However, shipments of soybeans and meal will be up around a fourth in volume this year, and wheat exports are sharply higher.

Japan, our largest single country market, is expected to take roughly \$4 billion worth of agricultural products this fiscal year. Feed grain exports are up about 5 percent in volume; soybean exports, up about 15 percent; and soybean meal, up around 45 percent.

Japanese livestock production continues to be profitable, and livestock and poultry numbers are increasing. Soybean meal use in formula feeds is expanding. Fiscal 1978 U.S. cotton shipments to Japan will be up more than a tenth in volume. Animal product exports will be up about a fifth in value because of larger shipments of beef, poultry meat, and cattle hides.

Marginal volume declines are anticipated for shipments of U.S. wheat, tobacco, and citrus to Japan.

Southeast and East Asia have moved into third position as a farm export market, buying over \$3 billion worth in fiscal 1978. Our sales value is up more than a fourth in fiscal 1978, spurred by sharp increases in cotton and soybean shipments together with larger shipments of corn, wheat, tobacco, and cattle hides. U.S. farm exports to South Korea are likely to total near \$1 billion, and exports to Taiwan also may approach \$1 billion. Shipments are also up strongly to Indonesia and Hong Kong.

In **West Asia**, U.S. agricultural exports will be up about a fifth in value as sales to Iraq, Saudi Arabia, and Lebanon are up dramatically.

U.S. wheat exports to West Asia may increase around 17 percent in volume. Shipments to Iraq are up substantially because of Iraq's poor 1977 harvest and difficulty in obtaining Australian wheat.

Rice exports may rise about 7 percent as larger shipments to Saudi Arabia more than offset the reduction in shipments to Iran, where higher prices are discouraging consumption.

U.S. feed grain and vegetable oil exports to West Asia are expected to remain near fiscal 1977 volumes, and soybean and oilseed exports are expected to increase.

Latin America: Fiscal 1978 U.S. agricultural exports will increase more than a fifth in value. Most of the rise is due to the jump in wheat and wheat product shipments from 3.9 million tons to about 7 million tons.

Two countries—Brazil and Mexico—account for most of the expected increase in wheat and total U.S. farm exports. Grain crops in both countries were affected seriously by drought. U.S. exports of animal and oilseed products to Mexico also are expected to be up sharply.

USSR: U.S. agricultural exports are sharply higher, and may reach \$1.9 billion for fiscal 1978. Wheat exports are likely to total more than a tenth above fiscal 1977's 3.0 million tons. Corn exports are expected to rise from 2.9 million tons to over 11 million. Soybean exports should total near fiscal 1977's 825,000 tons.

Eastern Europe: Our agricultural sales are continuing to expand in fiscal 1978. Grain shipments are expected to increase almost 30 percent above fiscal 1977's 4½ million tons. Soybean and soybean meal exports are up substantially this year. Commodity Credit Corporation (CCC) sales to Poland, totaling \$500 million, have been a major spur to exports.

People's Republic of China: Fiscal 1978 U.S. agricultural exports to the PRC are expected to total about \$380 million, with cotton, wheat, and soybean oil accounting for over 90 percent of the value. The poor 1977 Chinese harvest of most crops has resulted in large agricultural imports. In addition, China's large trade surplus in 1977 may have helped to ease import restrictions. Limited availability of wheat from China's usual suppliers appears to be the major reason for the resumption of grain purchases from the United States.

Sally Breedlove Byrne (202) 447-8260

U.S. AGRICULTURAL EXPORT VALUES BY COMMODITY GROUP

Commodity	Fiscal year	
	1977	Forecast 1978
	Billion dollars	
Grain and feed	10.124	11.4
Oilseeds and Products	6.418	7.3
Livestock and Products	2.191	2.3
Fruits, nuts, and vegetables ..	1.649	1.8
Cotton, including linters	1.538	1.6
Tobacco	1.065	1.1
Sugar and tropical products ..	.536	.6
Poultry products .....	.307	.3
Dairy products .....	.171	.2
Total ¹	23.994	26.6

¹ Total may not equal sum due to rounding.

U.S. AGRICULTURAL EXPORT VALUES BY REGION

Region ¹	Fiscal year	
	1976/77	Forecast 1977/78
	Billion dollars	
Western Europe	8.606	8.4
European Community	6.828	6.4
Other Western Europe	1.778	2.0
Eastern Europe .....	.977	1.1
USSR	1.091	1.9
Asia	8.116	9.5
West Asia ²	1.091	1.3
South Asia ³ .....	.683	.6
Southeast and East Asia ⁴ ..	2.468	3.2
Japan	3.878	4.0
PRC .....	.001	.4
Canada	1.586	1.4
North Africa .....	.782	1.0
Other Africa .....	.563	.6
Latin America	2.128	2.6
Oceania .....	.146	.2
Total	23.994	26.6

¹ Fiscal year data are adjusted for transshipments through Canada and Western Europe. Quarterly data are unadjusted. ² Turkey, Cyprus, Syria, Lebanon, Iraq, Iran, Israel, Jordan, Gaza Strip, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Yemen (Sana), Yemen (Aden), Oman, and Bahrain. ³ Afghanistan, India, Pakistan, Nepal, Bangladesh, and Sri Lanka. ⁴ Mongolia, Burma, Thailand, Vietnam, Laos, Malaysia, Singapore, Indonesia, Brunei, Philippines, Macao, Republic of Korea, North Korea, Hong Kong, Republic of China (Taiwan), and Cambodia.

Statistical Indicators

Farm Income

Gross and net farm income¹

	First-half			1975	1976				1977				1978	
	1976	1977	1978	IV	I	II	III	IV	I	II	III	IV	I	II
	\$ Bil.													
Cash receipts from farm marketings . . .	96.1	96.6	105.6	89.9	93.3	98.9	93.2	92.6	97.6	95.7	91.3	99.6	102.2	109.0
Livestock and Products	47.2	46.4	55.1	46.8	46.4	47.9	45.2	45.1	46.3	46.6	47.8	49.5	52.7	57.5
Crops	48.9	50.2	50.5	43.1	46.9	51.0	48.0	47.5	51.3	49.1	43.5	50.1	49.5	51.5
Nonmoney and other farm income ² . . .	9.4	10.8	13.6	9.2	9.2	9.5	9.6	10.0	10.5	11.0	11.4	15.2	13.6	13.5
Gross farm income	105.4	107.4	119.2	99.1	102.5	108.4	102.8	102.6	108.1	106.7	102.7	114.8	115.8	122.5
Farm Production expenses	82.2	87.2	94.8	77.0	79.5	85.0	84.5	82.9	87.5	87.0	86.0	91.4	93.5	96.0
Net income before inventory adj.	23.2	20.2	24.4	22.1	23.0	23.4	18.3	19.7	20.6	19.7	16.7	23.4	22.3	26.5
Net change in farm inventories	-2.5	-.3	-1.0	4.0	-1.5	-3.5	-1.2	-3.2	-1.0	.5	0	2.1	0	-2.0
Net income after inventory adj.														
Current prices	20.7	19.9	23.4	26.1	21.5	19.9	17.1	16.5	19.6	20.2	16.8	25.5	22.3	24.5
1967 prices ³	12.4	11.2	12.2	15.8	12.9	11.8	9.9	9.5	11.1	11.2	9.2	13.8	11.8	12.7

¹ All estimates starting with calendar year 1975 were updated in July; quarters of 1978 are subject to revision as year progresses. Quarterly data are seasonally adjusted at annual rates. ² Includes government payments to farmers, value of farm products consumed in farm households, rental value of farm dwellings, and income from recreation, machine hire, and custom work. ³ Deflated by the consumer price index for all items, 1967=100.

Cash receipts from farming

	January-June			1977	1978					
	1976	1977	1978	June	Jan	Feb	Mar	Apr	May	June
	\$ Mil.									
Farm marketings and CCC loans ¹	41,864	42,096	45,934	6,685	8,556	6,857	7,322	7,110	7,750	8,338
Livestock and Products	23,223	22,874	27,111	3,799	4,011	4,075	4,583	4,707	4,967	4,767
Meat animals	13,701	13,166	16,943	2,124	2,418	2,561	2,860	2,969	3,162	2,973
Dairy products	5,786	5,890	6,246	1,011	1,011	933	1,065	1,072	1,119	1,046
Poultry and eggs	3,405	3,475	3,641	613	539	540	618	615	632	697
Other	331	343	281	51	43	41	40	51	54	51
Crops	18,641	19,222	18,823	2,886	4,545	2,782	2,739	2,403	2,783	3,571
Food grains	2,922	2,428	1,902	704	413	265	233	176	181	633
Feed crops	5,765	5,126	4,794	800	1,366	781	656	502	590	899
Cotton (lint and seed)	914	1,019	716	28	339	120	173	32	44	8
Tobacco	356	436	332	5	228	46	24	14	20	0
Oil-bearing crops	3,203	4,339	4,658	213	1,262	728	675	582	699	712
Vegetables and melons	2,218	2,330	2,275	490	320	268	317	343	504	524
Fruits and tree nuts	1,414	1,584	2,135	392	312	288	288	312	388	548
Other	1,849	1,960	2,011	264	305	286	373	442	357	247
Government payments	260	477	1,190	32	308	219	151	298	160	64
Total cash receipts ²	42,124	42,573	47,124	6,717	8,864	7,076	7,473	7,408	7,900	8,402

¹ Receipts from loans represent value of loans minus value of redemptions during the month. ² Details may not add because of rounding.

Farm marketing indexes (physical volume)

	January-June			1977	1978					
	1976	1977	1978	June	Jan	Feb	Mar	Apr	May	June
	1967=100									
All commodities	105	106	105	108	130	100	98	92	97	110
Livestock and products	107	110	110	110	109	104	112	112	114	109
Crops	102	101	97	107	161	93	77	64	74	113

Cash receipts¹ from farm marketings, by States, January-June

	Livestock and Products		Crops ²		Total ²	
	1977	1978	1977	1978	1977	1978
	\$ Mil.					
NORTH ATLANTIC						
Maine	133.1	128.8	102.0	66.7	235.1	195.4
New Hampshire	27.3	27.1	11.3	10.6	38.6	37.7
Vermont	116.3	128.5	12.4	12.5	128.7	141.0
Massachusetts	51.6	51.3	47.9	46.7	99.5	98.0
Rhode Island	5.6	5.7	6.8	6.9	12.5	12.5
Connecticut	65.0	63.1	65.2	55.3	130.2	118.4
New York	585.9	639.7	214.7	198.1	800.6	837.8
New Jersey	50.6	49.6	80.3	81.7	130.9	131.4
Pennsylvania	642.8	703.9	286.1	275.5	929.0	979.4
NORTH CENTRAL						
Ohio	567.4	651.8	771.8	703.6	1,339.2	1,355.5
Indiana	618.4	722.8	832.2	694.1	1,450.6	1,416.9
Illinois	912.9	1,101.5	2,201.7	2,049.9	3,114.6	3,151.4
Michigan	401.1	451.7	380.6	409.1	781.7	860.8
Wisconsin	1,305.4	1,416.9	186.7	263.2	1,492.1	1,680.1
Minnesota	1,091.8	1,261.6	780.9	1,012.2	1,872.8	2,273.8
Iowa	2,114.3	2,577.8	1,622.1	1,326.7	3,736.4	3,904.5
Missouri	722.5	885.5	415.3	530.5	1,140.9	1,416.0
North Dakota	248.2 ^a	310.9	460.2	352.4	708.4	663.2
South Dakota	539.1	658.9	92.4	237.4	631.5	896.2
Nebraska	1,077.1	1,357.2	652.3	769.6	1,729.4	2,126.9
Kansas	1,208.2	1,525.4	616.3	559.5	1,824.4	2,084.9
SOUTHERN						
Delaware	88.2	99.1	25.0	21.0	113.2	120.1
Maryland	212.8	238.2	92.5	83.6	305.3	321.8
Virginia	259.9	288.3	98.5	91.4	358.3	379.7
West Virginia	45.3	44.7	15.7	15.3	61.0	60.0
North Carolina	518.8	575.9	246.7	222.2	765.5	798.1
South Carolina	135.3	158.5	158.3	150.0	293.7	308.6
Georgia	606.4	699.9	240.5	196.3	846.9	896.2
Florida	382.5	442.2	1,256.9	1,633.2	1,639.5	2,075.4
Kentucky	312.9	373.5	445.2	336.5	758.1	710.1
Tennessee	346.8	422.1	221.8	173.2	568.6	595.3
Alabama	457.2	537.8	167.2	175.3	624.5	713.1
Mississippi	377.5	437.4	224.3	246.2	601.8	683.7
Arkansas	573.3	684.4	312.5	379.1	885.9	1,063.5
Louisiana	203.9	247.7	210.5	207.0	414.4	454.7
Oklahoma	565.3	732.3	327.0	247.1	892.4	979.4
Texas	1,644.7	2,068.5	1,101.6	903.2	2,746.2	2,971.8
WESTERN						
Montana	120.9	147.7	214.9	165.3	335.8	313.1
Idaho	224.6	278.8	270.3	265.1	494.9	543.9
Wyoming	115.7	149.2	21.0	19.0	136.7	168.2
Colorado	686.3	856.7	188.4	180.8	874.7	1,037.6
New Mexico	195.7	238.5	68.3	54.4	264.0	292.9
Arizona	282.0	358.7	298.3	257.7	580.3	616.4
Utah	121.3	140.2	34.2	29.4	155.4	169.5
Nevada	39.1	48.6	26.5	19.4	65.6	67.9
Washington	249.1	288.5	520.7	522.3	769.8	810.8
Oregon	168.8	201.6	211.8	212.0	380.6	413.6
California	1,417.7	1,597.8	2,253.0	2,221.3	3,670.7	3,819.1
Alaska	2.3	2.2	1.9	2.0	4.2	4.2
Hawaii	32.3	31.9	128.6	131.1	160.9	163.0
UNITED STATES						
Grand Total	22,874.2	27,110.8	19,221.5	18,822.8	42,095.7	45,933.6

¹ Estimates as of the first of current month. ² Sales of farm products include receipts from loans reported minus value of redemptions during the period. Rounded data may not add.

Farm Production¹

Items	1971	1972	1973	1974	1975	1976	1977	1978 ²
1967=100								
Farm output	110	110	112	106	114	117	121	120
All livestock products ³	106	107	105	106	101	105	106	108
Meat animals	109	109	108	110	102	105	105	107
Dairy products	101	102	98	98	98	103	105	104
Poultry and eggs	106	109	106	106	103	110	112	117
All crops ⁴	112	113	119	110	121	121	129	128
Feed grains	116	112	115	93	114	120	124	125
Hay and forage	105	104	109	104	108	102	107	113
Food grains	107	102	114	120	142	141	131	125
Sugar crops	116	127	112	104	130	128	117	119
Cotton	145	187	175	158	112	142	195	159
Tobacco	86	88	88	101	110	108	98	100
Oil crops	121	131	155	127	163	132	171	174
Cropland used for crops	100	98	103	106	108	109	111	108
Crop production per acre	112	115	116	104	112	111	116	119

¹ For historical data and explanation of indexes, see *Changes in Farm Production and Efficiency*, Statistical Bulletin 581. ² Preliminary indexes for 1977 based on August 1978 *Crop Production* and other releases of the Crop Reporting Board, ESCS. ³ Gross livestock production includes minor livestock products not included in the separate groups shown. It cannot be added to gross crop production to compute farm output. ⁴ Gross crop production includes some miscellaneous crops not in the separate groups shown. It cannot be added to gross livestock production to compute farm output.

Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	January-June			1977	1978					
	1976	1977	1978	July	Feb	Mar	Apr	May	June	July p
	1967=100									
Prices Received										
All farm products	188	188	203	180	193	200	208	215	217	215
All crops	196	205	202	181	190	198	208	212	216	213
Food grains	224	154	188	138	182	186	195	193	191	187
Feed grains and hay	221	204	189	167	180	187	194	202	197	185
Feed grains	219	196	186	159	175	183	191	198	194	182
Cotton	246	290	230	281	224	228	230	239	244	254
Tobacco	158	173	183	152	184	181	183	183	183	184
Oil-bearing crops	180	282	222	235	200	221	230	239	237	227
Fruit	126	135	210	150	194	203	194	222	257	257
Fresh market ¹	123	126	217	169	201	210	200	233	274	278
Commercial vegetables	159	189	204	158	183	188	246	213	208	202
Fresh market	171	218	236	169	201	209	296	247	251	244
Potatoes ²	232	194	202	238	187	186	189	209	266	334
Livestock and products :	183	173	205	179	196	204	209	217	219	217
Meat animals	181	166	213	176	197	209	218	233	236	228
Dairy products	190	188	201	188	203	203	201	199	199	201
Poultry and eggs	177	178	180	176	179	182	187	181	182	197
Prices Paid										
Commodities and services,										
interest, taxes, and wage rates	191	202	215	203	211	214	216	219	220	220
Production items	192	201	212	201	206	211	214	217	218	218
Feed	186	201	184	183	178	183	187	188	188	184
Feeder livestock	162	156	204	161	185	202	213	229	223	226
Interest payable per acre on farm real estate debt	287	331	384	331	384	384	384	384	384	384
Taxes on farm real estate	178	195	210	195	210	210	210	210	210	210
Wage rates (seasonally adjusted)	211	226	245	231	244	244	246	246	246	246
Production items, interest, taxes, and wage rates	198	209	222	209	218	221	224	227	228	227
Prices received (1910-14=100)	471	469	508	450	482	501	521	538	543	537
Prices paid, etc. (Parity index) (1910-14=100)	647	686	730	690	717	727	735	744	747	749
Parity ratio ³	73	68	70	65	67	69	71	72	73	72

¹ Fresh market for noncitrus and fresh market and processing for citrus. ² Includes sweetpotatoes and dry edible beans. ³ Ratio of index of prices received to index of prices paid, interest, taxes and wage rates. p Preliminary.

Prices received by farmers, U.S. average

	January-June			1977	1978					
	1976	1977	1978p	July	Feb	Mar	Apr	May	June	July p
Crops										
All wheat (\$/bu.)	3.52	2.32	2.71	2.04	2.59	2.67	2.82	2.82	2.82	2.78
Rice, rough (\$/cwt.)	7.12	6.99	10.43	6.87	10.70	10.70	10.80	10.10	9.58	8.85
Corn (\$/bu.)	2.54	2.28	2.16	1.88	2.03	2.15	2.24	2.29	2.28	2.12
Sorghum (\$/cwt.)	4.14	3.40	3.48	2.85	3.20	3.37	3.62	3.87	3.64	3.58
All hay, baled (\$/ton)	56.48	63.35	51.93	56.80	51.80	51.40	51.40	55.30	51.20	49.20
Soybeans (\$/bu.)	4.83	8.02	6.24	6.52	5.53	6.20	6.49	6.77	6.69	6.37
Cotton, Upland (cts./lb.)	55.5	65.4	51.6	61.7	50.3	51.3	51.7	53.7	54.8	57.1
Potatoes (\$/cwt.)	3.93	4.83	3.68	5.07	3.19	3.24	3.39	3.97	5.10	7.41
Dry edible beans (\$/cwt.)	17.60	15.90	20.78	16.50	22.80	21.40	20.60	19.10	19.20	17.60
Apples for fresh use (cts./lb.)	8.6	12.5	17.0	13.4	13.6	14.8	15.2	20.1	25.5	23.3
Pears for fresh use (\$/ton)	209	121	1347	140	205	274	404	659	—	—
Oranges, all uses (\$/box) ²	1.73	1.76	4.24	2.27	4.16	4.49	4.04	4.35	4.68	4.70
Grapefruit, all uses (\$/box) ²	1.34	1.27	1.32	1.30	1.38	1.25	1.28	1.15	1.62	3.25
Livestock										
Beef cattle (\$/cwt.)	35.30	34.10	45.00	34.90	39.90	43.80	47.30	50.30	51.30	49.80
Calves (\$/cwt.)	35.70	36.40	50.80	36.40	44.50	49.10	52.90	58.30	59.00	59.90
Hogs (\$/cwt.)	47.50	38.90	46.50	44.80	47.90	46.80	44.80	47.80	47.70	45.20
Lambs (\$/cwt.)	51.90	50.60	64.20	50.60	62.60	67.70	64.20	67.20	62.80	58.70
All milk, sold to plants (\$/cwt.)	9.47	9.57	10.12	9.49	10.20	10.20	10.10	10.00	10.00	10.10
Milk, manuf. grade (\$/cwt.)	8.51	8.53	9.22	8.56	9.18	9.23	9.28	9.27	9.23	9.22
Broilers (cts./lb.)	24.4	23.9	26.2	25.9	24.3	24.8	28.1	27.2	30.2	32.8
Eggs (cts./doz.) ³	55.6	57.1	50.8	50.9	55.1	55.4	52.2	49.3	43.6	48.3
Turkeys (cts./lb.)	32.2	33.2	38.5	33.8	37.1	37.8	37.9	39.6	40.8	41.8
Wool (cts./lb.) ⁴	61.0	72.6	74.8	72.3	72.7	72.1	73.7	78.6	79.1	78.6

¹ Five month average. ² Equivalent on-tree returns. ³ Average of all eggs sold by farmers, including hatching eggs and eggs sold at retail. ⁴ Average local market price, excluding incentive payments. p Preliminary.

Producer and Retail Prices

Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)*

	1977	1978								
	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Consumer price index, all items	186.1	187.2	188.4	189.8	191.5	193.3	195.3	196.7		
Consumer price index, less food	183.1	183.8	184.7	185.9	187.4	189.0	190.6	192.0		
All food	196.3	199.2	202.0	204.2	207.5	210.3	213.8	215.0		
Food away from home	206.2	208.2	210.6	212.3	214.0	215.8	217.8	219.9		
Food at home	193.7	197.0	200.1	202.5	206.5	209.7	213.9	214.7		
Meats ¹	178.3	183.1	188.7	193.6	200.8	206.2	216.5	214.5		
Beef and veal	168.0	171.1	177.0	182.0	191.9	201.0	216.0	213.0		
Pork	191.7	199.6	205.2	208.4	211.5	211.3	215.8	214.4		
Poultry	153.6	157.5	161.5	163.9	169.3	171.0	178.4	185.2		
Fish	262.6	266.3	266.5	267.4	271.6	272.8	273.5	275.6		
Eggs	148.6	156.1	159.1	160.7	155.3	147.4	137.0	146.5		
Dairy products ²	176.9	177.7	178.8	179.3	181.6	183.5	184.8	185.3		
Fats and oils ³	196.1	198.1	198.9	200.4	204.5	207.9	210.9	213.5		
Fruits and vegetables	192.5	197.2	200.9	203.8	210.9	219.3	223.5	225.6		
Fresh	188.0	195.0	200.3	204.6	217.3	233.3	240.1	242.5		
Processed	199.2	201.5	203.3	204.6	205.7	205.9	207.0	208.8		
Cereals and bakery products	189.0	191.3	193.1	194.4	195.2	197.5	199.6	201.3		
Sugar and sweets	239.7	244.9	248.1	251.7	254.9	256.4	259.0	260.4		
Beverages, nonalcoholic	334.3	337.1	339.5	341.7	342.9	341.6	341.6	341.6		
Apparel commodities less footwear	154.5	151.1	149.2	151.4	153.5	154.8	154.7	152.5		
Footwear	159.6	158.8	159.3	160.7	161.7	163.4	163.8	162.1		
Tobacco products	173.0	173.3	173.6	173.6	173.9	174.0	174.9	179.9		
Beverages, alcoholic	153.2	154.2	155.4	156.5	157.9	159.2	159.5	160.1		

¹ Beef, veal, lamb, pork, and processed meat. ² Includes butter. ³ Excludes butter.

* Revised indexes; not directly comparable with CPI previously published in AO.

Producer Price Indexes, U.S. average (not seasonally adjusted)

	Annual			1977	1978					
	1975	1976	1977	July	Feb	Mar	Apr	May	June	July
	1967=100									
Finished goods ¹	163.4	170.3	180.6	181.3	188.3	189.0	191.4	193.0	194.4	195.9
Consumer foods	181.0	180.2	189.1	192.1	199.3	200.1	204.6	206.9	209.4	210.7
Fruits and vegetables ²	183.7	178.4	192.2	182.1	204.6	201.6	227.3	220.3	230.2	252.3
Eggs	159.8	179.1	162.0	156.6	170.3	167.4	152.3	141.2	127.5	150.2
Bakery products	178.6	180.0	186.2	186.1	193.6	194.4	195.2	197.5	198.9	202.6
Meats	188.7	173.6	170.7	177.6	198.2	197.6	205.3	216.0	220.4	213.2
Beef and veal	175.3	156.0	157.5	160.6	182.7	188.6	204.9	216.3	221.6	213.2
Pork	214.7	201.4	190.1	206.2	221.7	206.2	202.7	214.6	219.6	213.1
Poultry	184.1	166.2	173.3	188.0	183.7	184.4	189.6	189.2	210.7	231.5
Fish	218.7	272.4	294.3	297.0	288.5	291.4	296.0	297.1	295.1	313.4
Dairy products	155.8	168.5	173.4	175.1	178.7	180.3	184.5	184.5	185.4	186.1
Processed fruits and vegetables	169.8	170.2	187.3	188.3	194.6	195.6	196.4	197.3	198.7	200.3
Refined sugar ³	n.a.	n.a.	n.a.	n.a.	112.0	108.6	104.0	107.6	107.3	106.7
Vegetable oil and products	211.5	174.2	198.6	208.7	193.9	206.6	216.8	219.8	217.9	217.6
Consumer finished goods less foods	153.1	161.8	172.1	172.4	177.7	178.2	180.4	182.1	182.6	184.6
Beverages, alcoholic	134.7	138.1	139.7	139.7	145.2	146.3	145.3	146.2	146.7	147.0
Beverages, nonalcoholic	186.1	187.2	198.1	198.1	207.3	207.3	209.2	211.0	211.7	211.7
Apparel	133.4	139.9	147.3	147.3	149.8	150.0	150.3	150.8	151.7	152.8
Footwear	147.8	158.9	168.9	169.8	176.2	176.2	180.5	181.4	181.6	182.2
Tobacco products	149.6	163.0	180.0	175.7	191.2	190.9	191.4	191.4	195.1	205.1
Intermediate materials ⁴	180.0	189.3	201.7	202.6	208.9	210.7	212.4	213.7	214.8	215.8
Materials for food manufacturing	209.4	180.6	181.7	179.9	191.2	195.7	201.7	203.9	204.1	204.0
Flour	163.4	147.8	118.9	111.0	127.5	130.6	147.4	142.3	140.6	143.0
Refined sugar ⁵	n.a.	n.a.	n.a.	n.a.	108.3	106.0	108.6	108.4	107.8	105.8
Crude vegetable oils	208.1	162.5	197.5	181.0	184.6	223.9	219.5	232.1	219.7	225.1
Crude materials ⁶	196.9	205.1	214.4	213.9	225.0	231.2	238.9	241.1	245.3	245.4
Foodstuffs and feedstuffs	191.8	190.1	190.9	191.2	201.3	207.5	216.3	219.1	223.7	222.0
Fruits and vegetables ²	183.7	178.4	192.2	182.1	204.6	201.6	227.3	220.3	230.2	252.3
Grains	223.9	205.9	165.2	151.1	170.8	178.9	198.7	189.2	188.1	183.8
Livestock	187.8	173.3	173.0	180.5	202.1	208.3	218.1	230.3	236.2	226.8
Poultry, live	189.8	166.9	175.4	193.7	188.8	187.9	196.0	194.5	221.6	246.6
Fibers, plant and animal	153.1	223.9	202.3	195.3	174.4	186.9	181.0	191.8	192.9	189.9
Milk	180.2	201.2	202.6	202.7	209.7	219.7	212.1	212.1	212.1	216.3
Oilseeds	198.5	204.4	236.8	205.4	195.5	224.0	232.6	234.4	229.6	232.2
Coffee, green	177.8	305.5	504.1	565.0	410.5	386.2	372.1	378.1	390.1	370.4
Tobacco, leaf	n.a.	164.2	n.a.	152.0	184.4	181.9	n.a.	n.a.	183.9	186.2
Sugar, raw cane	316.2	185.5	149.5	130.0	192.5	182.1	192.9	187.1	189.8	182.7
All commodities	174.9	183.0	194.2	194.8	202.0	203.8	206.4	207.9	209.4	210.6
Industrial commodities	171.5	182.4	195.1	195.9	202.8	204.1	206.0	207.3	208.5	209.9
All foods ⁷	186.0	178.9	186.8	189.1	198.3	199.2	204.5	206.6	208.9	210.7
Farm products and processed foods and feeds	184.2	183.1	188.8	188.7	196.6	200.3	205.5	207.7	210.4	210.5
Farm products	186.7	191.0	192.5	190.2	198.9	205.3	213.6	215.7	219.5	219.9
Processed foods and feeds	182.6	178.0	186.1	187.2	194.6	196.8	200.2	202.5	204.6	204.5
Cereal and bakery products	178.0	172.1	173.2	171.9	184.7	185.7	188.6	188.2	189.0	191.9
Sugar and confectionery	254.3	190.9	177.5	171.3	193.8	192.9	196.9	197.1	198.0	196.5
Beverages	162.4	173.5	200.9	204.7	201.1	200.0	200.1	199.5	200.0	198.8
Wholesale spot prices, 9 foodstuffs	227.3	201.6	208.2	203.8	220.8	236.0	239.5	243.7	240.8	234.9

¹ Commodities ready for sale to ultimate consumer. ² Fresh and dried. ³ Consumer size packages, Dec. 1977=100. ⁴ Commodities requiring further processing to become finished goods. ⁵ For use in food manufacturing. ⁶ Products entering market for first time which have not been manufactured at that point. ⁷ Includes all processed food (except soft drinks, alcoholic beverages, and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables. n.a.=not available.

Farm-Retail Price Spreads

Farm-retail price spreads

	Annual			1977p		1978p				
	1975	1976	1977p	July	Feb	Mar	Apr	May	June	July
Market basket¹:										
Retail cost (1967=100)	173.6	175.4	179.2	180.4	188.3	190.7	194.9	198.7	203.6	204.5
Farm value (1967=100)	187.7	177.8	178.1	181.2	190.8	196.3	206.0	211.6	215.8	216.2
Farm-retail spread (1967=100)	165.1	174.0	180.0	180.0	186.9	187.5	188.3	191.1	196.3	197.5
Farm value/retail cost (%)	40.8	38.3	37.5	37.9	38.3	38.8	39.9	40.2	40.0	39.9
Meat products:										
Retail cost (1967=100)	178.3	178.5	174.3	175.8	188.7	193.6	200.8	206.2	216.5	214.5
Farm value (1967=100)	188.3	170.1	169.8	176.4	190.2	198.0	203.6	221.8	222.1	216.8
Farm-retail spread (1967=100)	165.2	189.5	180.0	175.1	186.8	187.9	187.1	186.0	208.2	211.5
Farm value/retail cost (%)	59.6	53.8	55.0	56.6	55.9	57.7	57.3	60.7	57.9	57.1
Dairy products:										
Retail cost (1967=100)	154.0	168.5	173.3	173.2	178.8	179.3	181.6	183.5	184.8	185.3
Farm value (1967=100)	163.6	185.9	187.2	189.9	195.1	195.5	201.0	197.8	200.5	201.8
Farm-retail spread (1967=100)	145.6	153.3	161.3	158.7	164.6	165.2	164.7	171.0	171.2	170.9
Farm value/retail cost (%)	49.4	51.4	50.3	51.0	50.8	50.8	61.5	50.2	50.5	50.7
Poultry:										
Retail cost (1967=100)	163.3	157.0	158.1	162.6	161.5	163.9	169.3	171.0	178.4	185.2
Farm value (1967=100)	194.6	174.4	178.5	194.2	179.6	183.9	212.0	190.2	223.7	253.0
Farm-retail spread (1967=100)	132.9	140.2	138.4	132.1	143.9	144.6	128.0	152.4	134.5	119.6
Farm value/retail cost (%)	58.6	54.6	55.5	58.7	54.7	55.2	61.6	54.7	61.7	67.2
Eggs:										
Retail cost (1967=100)	154.7	174.9	169.1	165.8	159.1	160.7	155.3	147.4	137.0	146.5
Farm value (1967=100)	174.9	201.9	187.5	186.4	180.0	182.9	175.5	151.4	136.3	158.8
Farm-retail spread (1967=100)	130.1	135.8	142.5	136.1	128.9	128.5	126.1	141.6	138.0	128.7
Farm value/retail cost (%)	66.0	68.2	65.5	66.4	66.9	67.3	66.8	60.7	58.8	64.0
Cereal and bakery products:										
Retail cost (1967=100)	183.7	180.8	183.7	183.9	193.1	194.4	195.2	197.5	199.6	201.3
Farm value (1967=100)	200.2	162.3	138.2	128.3	155.1	160.3	173.3	171.1	165.4	163.9
Farm-retail spread (1967=100)	180.3	184.6	193.2	195.4	201.0	201.5	199.7	203.0	206.7	209.0
Farm value/retail cost (%)	18.7	15.4	12.9	12.0	13.8	14.1	15.2	14.8	14.2	14.0
Fresh fruits:										
Retail cost (1967=100)	160.6	161.3	187.9	200.8	196.0	203.2	209.8	227.9	248.6	254.8
Farm value (1967=100)	158.0	146.7	177.2	179.1	201.2	212.6	202.4	235.1	284.3	274.3
Farm-retail spread (1967=100)	161.9	167.8	192.7	210.5	193.7	199.0	213.1	224.7	232.6	246.0
Farm value/retail cost (%)	30.5	28.2	29.2	27.6	31.8	32.4	29.9	32.0	35.4	33.4
Fresh vegetables:										
Retail cost (1967=100)	169.1	179.1	200.6	199.4	209.1	208.5	227.0	243.5	244.2	243.5
Farm value (1967=100)	183.6	184.4	205.4	189.5	186.6	185.5	268.9	257.8	285.9	293.5
Farm-retail spread (1967=100)	162.3	176.5	198.3	204.0	219.7	219.3	207.3	236.8	224.6	220.0
Farm value/retail cost (%)	34.7	32.9	32.8	30.4	28.5	28.4	37.9	33.8	37.4	38.5
Processed fruits and vegetables:										
Retail cost (1967=100)	179.6	181.7	190.2	190.2	203.3	204.6	205.7	205.9	207.0	208.8
Farm value (1967=100)	211.2	202.8	188.5	187.2	206.4	214.2	216.8	215.3	218.0	215.3
Farm-retail spread (1967=100)	172.7	177.1	190.6	190.8	202.6	202.5	203.2	203.8	204.6	207.4
Farm value/retail cost (%)	21.3	20.2	18.0	17.8	18.4	19.0	219.1	19.0	19.1	18.7
Fats and oils:										
Retail cost (1967=100)	206.8	176.7	192.0	198.5	198.9	200.4	204.5	207.9	210.9	213.5
Farm value (1967=100)	253.8	206.4	249.2	260.9	225.4	248.2	267.9	284.5	269.5	264.1
Farm-retail spread (1967=100)	188.7	165.2	169.9	174.5	188.7	182.0	180.1	178.4	188.4	194.0
Farm value/retail cost (%)	34.1	32.5	36.1	36.5	31.5	34.4	36.4	38.0	35.5	34.4

¹ Market basket statistics have been revised to adopt weight structure of the new Consumer Price Index for all urban consumers (CPI-U). Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

Farm-retail price spreads

	January-June			1977	1978p					
	1976	1977	1978p	July	Feb	Mar	Apr	May	June	July
Beef, Choice:¹										
Retail price ² (cts./lb.)	151.0	145.5	174.2	148.4	161.7	167.0	176.0	185.9	195.2	191.6
Net carcass value ³ (cts.)	94.2	90.9	116.7	94.8	105.8	111.4	121.0	131.5	128.3	125.3
Net farm value ⁴ (cts.)	86.5	83.4	108.7	87.0	96.1	105.0	114.0	124.9	119.9	116.8
Farm-retail spread (cts.)	64.5	62.1	65.5	61.4	65.6	62.0	62.0	61.0	75.3	74.8
Carcass-retail spread ⁵ (cts.)	56.8	54.6	57.5	53.6	55.9	55.6	55.0	54.4	66.9	66.3
Farm-carcass spread ⁶ (cts.)	7.7	7.5	8.0	7.8	9.7	6.4	7.0	6.6	8.4	8.5
Farm value/retail price (%)	57	57	62	59	59	63	65	67	61	61
Pork:¹										
Retail price ² (cts./lb.)	139.7	121.1	139.7	132.0	138.0	139.2	141.6	141.4	144.2	144.2
Wholesale value ³ (cts.)	112.5	95.8	105.2	103.9	106.9	105.8	104.6	106.9	105.4	104.7
Net farm value ⁴ (cts.)	78.7	63.3	75.3	72.7	77.4	74.8	72.7	77.7	76.1	73.9
Farm-retail spread (cts.)	61.0	57.8	64.4	59.3	60.6	64.4	68.9	63.7	68.1	70.3
Wholesale retail spread ⁵ (cts.)	27.2	25.3	34.5	28.1	31.1	33.4	37.0	34.5	38.8	39.5
Farm-carcass spread ⁶ (cts.)	33.8	32.5	29.9	31.2	29.5	31.0	31.9	29.2	29.3	30.8
Farm value/retail price (%)	56	62	54	55	56	54	51	55	53	51

¹ Revised series for historical data and methodology, see August 1978 issue of Livestock and Meat Situation, LMS-222. ² Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from USDA's meat price survey. ³ Value of carcass quantity equivalent to 1 lb. of retail cuts—beef adjusted for value of fat and bone byproducts. ⁴ Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts. ⁵ Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. ⁶ Represents charges made for livestock marketing, processing, and transportation to city where consumed. p Preliminary.

Food Supply and Use

Per capita food consumption indexes¹

	1960	1970	1972	1973	1974	1975	1976	1977 ²	1978 ³
1967=100									
Meat, poultry, and fish	89.4	104.9	107.2	100.9	106.2	102.8	109.8	109.7	108.2
Meat	91.9	104.0	105.2	97.8	104.6	101.0	107.6	106.9	103.3
Poultry	75.3	107.1	112.8	108.8	110.6	108.2	116.1	119.5	127.7
Fish	97.0	110.7	117.5	121.3	114.7	113.9	121.0	119.7	120.5
Eggs	104.2	97.0	96.1	91.6	89.9	87.0	85.5	84.8	85.0
Dairy products ⁴	105.4	98.9	99.5	99.2	97.4	98.3	99.0	98.5	100.1
Fats and oils	95.4	106.6	109.3	109.8	106.9	107.8	112.6	109.6	113.4
Animal	119.2	90.4	83.9	77.8	76.2	72.6	68.0	68.2	70.4
Vegetable	82.2	115.5	123.3	127.5	123.9	127.2	137.2	132.4	137.1
Fruits ⁵	102.9	102.7	100.4	102.7	102.3	109.2	112.2	109.4	111.6
Fresh	112.0	100.6	94.4	94.4	97.4	104.3	108.4	105.3	106.7
Processed	94.8	104.6	105.8	110.1	106.6	113.5	115.6	113.0	115.9
Vegetables ⁶	99.3	101.7	102.5	105.2	104.2	103.4	107.5	107.0	108.7
Fresh	107.6	100.2	99.9	101.3	101.2	101.5	103.4	102.7	104.5
Processed	83.7	104.5	107.3	112.4	109.8	107.1	115.2	114.9	116.6
Potatoes and sweetpotatoes	81.8	114.8	116.0	116.7	117.7	121.3	113.6	116.8	122.9
Fresh	133.8	95.0	91.7	83.6	80.1	90.8	85.6	91.8	95.9
Processed	58.2	123.7	127.0	131.7	134.9	135.2	125.4	128.2	135.1
Beans, peas, and nuts	95.6	98.4	103.8	104.6	100.4	106.6	104.5	103.6	104.2
Cereal products	102.0	97.9	97.6	97.8	96.0	96.5	99.4	97.1	97.2
Sugar	98.1	105.9	108.4	109.2	106.6	102.9	109.4	111.7	111.9
Coffee, tea, and cocoa	100.2	93.7	97.9	96.7	91.8	90.8	93.3	74.5	72.7
Total food	96.4	102.7	104.0	102.2	102.9	102.0	105.8	104.7	105.2
Animal products	95.5	102.2	103.6	99.2	101.8	99.7	104.0	103.7	103.3
Crops ⁷	97.4	103.2	104.5	105.9	104.1	104.8	107.9	105.9	107.4

¹ Civilian consumption only. Quantities of individual foods are combined in terms of 1957-59 retail prices. ² Preliminary. ³ Forecast. ⁴ Includes butter. ⁵ Excludes melons and baby food. ⁶ Excludes soup, baby food, dry beans and peas, potatoes, and sweetpotatoes. ⁷ Includes melons, nuts, soup, and baby food in addition to groups shown separately.

Civilian per capita consumption of major food commodities (retail weight)¹

	1960	1970	1972	1973	1974	1975	1976	1977 ²	1978 as percent of 1977
	Pounds								
Meats:	134.1	151.4	153.5	142.6	152.5	145.4	155.3	154.8	97
Beef	64.3	84.1	85.9	81.1	86.4	88.9	95.7	93.2	96
Veal	5.2	2.4	1.8	1.5	1.9	3.5	3.3	3.2	78
Lamb and mutton	4.3	2.9	2.9	2.4	2.0	1.8	1.7	1.5	93
Pork	60.3	62.0	62.9	57.6	62.2	51.2	54.6	56.9	100
Fish (edible weight)	10.3	11.8	12.5	12.9	12.2	12.2	13.0	12.8	101
Poultry products:									
Eggs	42.4	39.5	39.1	37.3	36.6	35.4	34.8	34.5	100
Chicken (ready-to-cook)	27.8	40.5	42.0	40.7	41.1	40.3	43.3	44.9	107
Turkey (ready-to-cook)	6.2	8.0	9.0	8.5	8.9	8.6	9.2	9.2	105
Dairy products:									
Cheese	8.3	11.5	13.2	13.7	14.6	14.5	15.9	16.3	107
Condensed and evaporated milk	13.7	7.1	6.3	6.0	5.6	5.0	3.6	3.3	88
Fluid milk and cream (product weight)	321.0	296.0	298.0	293.0	288.0	291.1	292.0	289.4	100
Ice cream (product weight)	18.3	17.7	17.4	17.5	17.5	18.7	18.1	17.7	100
Fats and Oils—Total fat content	45.3	53.0	54.3	54.3	53.2	53.4	56.1	54.4	103
Butter (actual weight)	7.5	5.3	4.9	4.8	4.6	4.8	4.4	4.4	104
Margarine (actual weight)	9.4	11.0	11.3	11.3	11.3	11.2	12.2	11.6	103
Lard	7.6	4.7	3.8	3.4	3.2	4.0	3.6	3.4	100
Shortening	12.6	17.3	17.7	17.3	17.0	17.3	18.1	17.6	105
Other edible fats and oils	11.5	18.2	19.8	20.8	20.3	20.3	22.0	21.6	102
Fruits:									
Fresh	90.0	79.1	74.7	74.0	76.3	81.3	84.4	80.3	102
Citrus	32.5	27.9	26.6	26.7	26.8	28.7	27.6	24.4	107
Noncitrus	57.5	51.2	48.1	47.3	49.5	52.6	56.8	55.9	100
Processed:									
Canned fruit	22.6	23.3	21.4	21.3	19.6	19.3	19.2	19.9	86
Canned juice	13.0	14.6	15.5	15.9	14.7	15.3	16.2	15.6	117
Frozen (including juices)	9.1	9.8	10.4	11.2	11.3	12.6	12.2	11.9	104
Chilled citrus juices	2.1	4.7	5.2	5.3	5.2	5.7	6.5	6.0	107
Dried	3.1	2.7	2.0	2.6	2.5	3.0	2.7	2.7	96
Vegetables:									
Fresh ³	96.0	91.0	90.8	92.7	93.6	93.9	94.7	93.2	102
Canned (excluding potatoes and sweet potatoes)	43.4	51.2	52.2	54.3	53.3	52.1	53.0	53.3	100
Frozen (excluding potatoes)	7.0	9.6	10.0	10.7	10.2	9.7	10.2	10.3	106
Potatoes ⁴	105.0	115.3	116.9	114.4	112.3	120.2	114.9	120.6	105
Sweet potatoes ⁴	6.5	5.2	4.7	4.7	5.1	5.3	5.3	4.9	94
Grains:									
Wheat flour ⁵	118	110	109	109	106	107	111	108	93
Rice	6.1	6.7	7.0	7.0	7.6	7.7	7.6	8.0	101
Other:									
Coffee	11.6	10.5	10.5	10.1	9.5	9.0	9.7	6.9	96
Tea	.6	.7	.8	.8	.8	.8	.8	.9	100
Cocoa	2.9	3.1	3.5	3.4	3.0	2.6	3.0	2.7	100
Peanuts (shelled)	4.9	5.9	6.2	6.6	6.4	6.5	6.3	6.4	100
Dry edible beans	7.3	5.9	6.3	6.4	6.7	6.5	6.3	6.0	100
Melons	23.2	21.2	19.9	19.7	17.2	17.5	20.5	21.3	104
Sugar (refined)	97.4	101.8	102.8	101.5	96.6	90.2	92.2	93.2	98

¹ Quantity in pounds, retail weight unless otherwise shown. Data on calendar year basis except for dried fruits, fresh citrus fruits, peanuts, and rice which are on a crop-year basis. ² Preliminary. ³ Commercial production for sale as fresh produce. ⁴ Including fresh equivalent of processed. ⁵ White, whole wheat, and semolina flour including use in bakery products.

Note: Historical consumption and supply-utilization data for food may be found in *Food Consumption, Prices, and Expenditures*, Ag. Econ. Report 138 and annual supplements, ESCS, USDA.

Transportation

Rail rates, grain and fruit and vegetable shipments

	January-June			1977		1978				
	1976	1977	1978	July	Feb	Mar	Apr	May	June	July
Rail freight rate index ¹										
All products (1969=100)	183.9	198.2	208.1	198.4	207.6	207.7	207.8	207.9	208.2	216.2
Farm products (1969=100)	179.9	190.2	200.4	190.6	200.1	200.1	200.1	200.1	200.8	206.7
Food products (1969=100)	182.3	194.4	204.6	194.3	203.9	204.6	204.6	205.2	205.6	212.9
Rail carloadings of grain (thou. cars) ²	24.6	22.9	24.3	25.8	21.7	23.7	23.8	25.4	29.7	28.6
Barge shipments of grain (mil. bu.) ¹	31.0	27.1	28.9	31.0	19.5	24.2	34.2	34.4	35.7	31.1
Fresh fruit and vegetable shipments										
Rail (thou. carlots) ^{3, 4}	3.8	2.4	^{\$} 1,074	^{\$} 1,524	^{\$} 946	^{\$} 1,184	^{\$} 1,023	^{\$} 1,110	^{\$} 1,332	^{\$} 1,007
Truck (thou. carlots) ^{3, 4}	17.0	15.0	^{\$} 7,067	^{\$} 6,799	^{\$} 6,773	^{\$} 8,238	^{\$} 6,464	^{\$} 7,853	^{\$} 8,401	^{\$} 7,308

¹ Department of Labor, Bureau of Labor Statistics. ² Weekly average; from Association of American Railroads. ³ Weekly average; from Agricultural Marketing Service, USDA. ⁴ Preliminary data for 1977 and 1978. ⁵ Shipments reported in 1000 hundredweight. Typical truck loads are about 40,000 pounds and average railcar/loads in 1975 were about 60,000 pounds.

Livestock and Products

Livestock and products output and prices

	1976	1977					1978				
	Annual	I	II	III	IV ¹	Annual	I	II	III ¹	IV ¹	Annual ¹
Beef (mil. lb.)	25,667	6,287	6,158	6,321	6,220	24,986	6,104	5,936	6,000	5,900	23,990
Change (pct.) ²	+8	-3	0	-4	-3	-3	-3	-4	-5	-5	-4
Pork (mil. lb.)	12,488	3,294	3,184	3,073	3,500	13,051	3,242	3,264	3,250	3,550	13,306
Change (pct.) ²	+8	+11	+12	+2	-5	+5	-2	+3	+6	+1	+2
Veal (mil. lb.)	813	201	187	205	201	794	178	149	140	145	612
Change (pct.) ²	-2	-2	+5	0	-10	-2	-11	-20	-32	-28	-23
Lamb and mutton (mil. lb.)	361	90	86	84	81	341	75	76	75	73	299
Change (pct.) ²	-10	-5	+5	-9	-12	-6	-17	-12	-11	-10	-12
Red meats (mil. lb.)	39,329	9,872	9,615	9,683	10,002	39,172	9,599	9,425	9,465	9,670	38,159
Change (pct.) ²	+8	+1	+4	-2	-4	0	-3	-2	-2	-3	-3
Broilers (mil. lb.)	8,988	2,156	2,399	2,424	2,248	9,227	2,327	2,547	2,645	2,515	10,034
Change (pct.) ²	+13	+2	+4	+2	+3	+3	+8	+6	+9	+12	+9
Turkeys (mil. lb.)	1,950	210	365	672	645	1,892	228	400	705	670	2,003
Change (pct.) ²	+14	+1	-1	-5	-3	-3	+9	+10	+5	+4	+6
Total meats (mil. lb.)	50,267	12,238	12,379	12,779	12,895	50,291	12,154	12,372	12,815	12,855	50,196
Change (pct.) ²	+9	+1	+4	-2	-3	0	-1	0	0	0	0
Eggs (mil. doz.)	5,377	1,324	1,335	1,330	1,414	5,403	1,373	1,380	1,360	1,410	5,523
Change (pct.) ²	0	-1	0	0	+5	0	+4	+3	+2	0	+2
Milk (bil. lb.)	120.3	29.8	33.1	30.9	29.0	^{\$} 123.0	29.9	32.8	30.5	28.7	121.9
Change (pct.) ²	+4	+2	+2	+3	+2	+2	0	-1	-2	-1	-1
Total livestock and products (1974=100)	105.5	103.1	107.5	107.5	106.5	106.2	103.0	107.2	107.4	105.7	105.8
Change (pct.) ²	+6.6	+1.1	+2.8	-6	-7	+7	-1	-3	-1	-1.0	-4

Prices

Choice steers, Omaha (\$ per cwt.)	39.11	37.88	40.77	40.47	42.42	40.38	45.77	55.06	53.55	52.54	—
Barrows and gilts, 7-markets (\$ per cwt.)	43.11	39.08	40.87	43.85	41.38	41.07	47.44	47.84	47.49	45.47	—
Broilers, 9-city wholesale (cts. per lb.) ⁴	40.2	40.9	42.3	42.4	37.6	40.8	41.8	47.6	46.48	40.42	—
Turkeys, N.Y., wholesale (cts. per lb.) ⁵	48.8	50.2	51.5	53.1	61.3	54.0	60.2	61.4	67.69	66.68	—
Eggs, carton, Grade A large, N.Y. (cts. per doz.)	70.3	74.9	57.8	61.5	58.9	63.3	62.0	53.5	61.63	64.66	—
Milk, all at farm, (\$ per cwt.)	9.66	9.54	9.40	9.71	10.17	9.71	10.20	10.03	10.45-10.60	11.20-11.50	10.45-10.80
Livestock prices received by farmers (1967=100)	177	172	174	178	177	175	195	215	220	219	212

¹ Forecast. ² Change from year-earlier. ³ Does not add due to rounding of quarterly data. ⁴ Weighted average. ⁵ 8-16 pound young hens.

Dairy:

	Annual			1977	1978					
	1975	1976	1977	July	Feb	Mar	Apr	May	June	July
Milk production:										
Total milk (mil. lb.)	115,334	120,269	122,957	10,693	9,341	10,528	10,686	11,219	10,928	10,598
Milk per cow (lb.)	10,350	10,879	11,194	975	856	967	982	1,032	1,007	977
Number of milk cows (thou.)	11,143	11,055	10,984	10,970	10,915	10,883	10,883	10,866	10,854	10,851
Milk prices, Minnesota-Wisconsin:										
3.5% fat (\$/cwt.) ¹	7.62	8.48	8.58	8.65	9.00	9.09	9.24	9.25	9.26	9.33
Price of 16% dairy ration (\$/ton)	134	141	140	141	134	135	137	136	140	139
Milk-feed price ratio (lb.) ²	1.40	1.53	1.57	1.52	1.70	1.68	1.62	1.60	1.59	1.64
Stocks, beginning										
Total milk equiv. (mil. lb.) ³	6,886	3,844	5,708	9,992	8,737	8,897	9,171	9,562	10,201	11,004
Commercial (mil. lb.)	5,576	3,719	5,299	7,056	5,229	5,148	4,838	5,144	5,448	5,624
Government (mil. lb.)	310	124	410	2,936	3,508	3,749	4,332	4,418	4,753	5,381
Imports, total milk equiv. (mil. lb.) ³	1,669	1,943	1,968	133	157	152	127	127	134	—
USDA net removals:										
Total milk equiv. (mil. lb.) ³	2,036	1,236	6,092	501.1	556.6	42.7	509.1	776.6	561.8	143.7
Butter:										
Production (mil. lb.)	983.8	978.6	1,085.6	81.8	95.7	97.7	98.5	96.7	84.7	—
Stocks, beginning (mil. lb.)	49.2	10.9	47.1	197.1	195.7	215.9	235.6	245.6	264.6	280.9
Wholesale price, Grade A Chicago (cts./lb.)	79.4	92.0	98.4	100.7	100.7	101.2	105.2	106.7	106.7	107.9
USDA net removals (mil. lb.)	63.4	39.4	222.4	16.0	26.7	2.1	24.4	34.6	20.6	.2
Commercial disappearance (mil. lb.)	951.0	919.0	859.2	71.6	64.2	107.8	70.6	58.8	76.2	—
American cheese:										
Production (mil. lb.)	1,654.6	2,048.8	2,042.4	175.2	154.3	182.9	190.8	208.2	209.3	—
Stocks, beginning (mil. lb.)	420.9	307.8	411.4	514.1	412.8	389.5	374.9	389.8	407.8	444.9
Wholesale price, Wisconsin assembly pt. (cts./lb.)	86.6	96.3	96.8	97.1	100.8	101.4	102.6	102.6	102.6	102.9
USDA net removals (mil. lb.)	68.2	38.0	148.3	16.8	3	.4	1.8	6.0	13.6	13.8
Commercial disappearance (mil. lb.)	1,717.1	1,920.9	1,958.1	154.3	169.9	190.7	170.0	186.8	161.5	—
Other cheese:										
Production (mil. lb.)	1,156.8	1,274.1	1,315.5	104.9	106.3	128.9	115.4	120.5	123.6	—
Stocks, beginning (mil. lb.)	73.1	60.8	67.1	73.2	65.8	64.5	65.7	68.4	70.2	76.9
Commercial disappearance (mil. lb.)	1,331.9	1,458.0	1,512.3	120.5	121.0	144.2	125.7	130.9	129.3	—
Nonfat dry milk:										
Production (mil. lb.)	1,001.5	926.2	1,106.0	123.2	70.6	84.4	96.4	103.0	113.5	—
Stocks, beginning (mil. lb.)	293.2	468.9	485.4	580.8	689.4	681.4	662.1	686.5	687.7	701.6
Wholesale price, avg. manf. (cts./lb.)	63.3	63.4	66.5	68.0	68.0	68.0	70.5	71.1	71.0	—
USDA net removals (mil. lb.)	394.4	157.1	464.3	67.8	22.6	12.1	27.6	51.5	54.0	46.3
Commercial disappearance (mil. lb.)	697.0	719.2	681.6	62.0	54.5	77.7	39.5	43.9	51.8	—
Frozen dessert production (mil. gal.) ⁴	1,183.9	1,154.0	1,147.4	118.9	75.5	98.6	95.2	108.2	126.0	—

¹ Manufacturing grade milk. ² Pounds of ration equal in value to 1 lb. of milk. ³ Milk equivalent, fat-solids basis. ⁴ Ice cream, ice milk, and sherbet.

Poultry and eggs:

	Annual			1977	1978					
	1975	1976	1977	July	Feb	Mar	Apr	May	June	July
Eggs										
Farm production (mil.)	64,586	64,517	64,837	5,293	5,083	5,662	5,509	5,669	5,382	5,440
Average number of layers on farms (mil.)	278	274	275	266	281	278	276	275	272	270
Rate of lay (eggs per layer)	233	235	236	19.9	18.1	20.4	19.9	20.6	19.8	20.1
Cartoned price, New York, grade A										
large (cts./doz.) ¹	63.9	70.3	63.3	62.4	64.9	64.0	57.6	52.9	49.8	62.8
Price of laying feed (\$/ton)	147	151	152	153	146	149	154	155	157	155
Egg-feed price ratio (lb.) ²	7.2	7.8	7.3	6.7	7.8	7.4	6.8	6.4	5.6	6.2
Stocks, beginning of period:										
Shell (thou. cases)	36	22	28	40	50	41	37	36	30	30
Frozen (mil. lb.)	54.2	36.3	26.1	31.4	28.1	25.7	22.9	23.2	22.5	26.6
Replacement chicks hatched (mil.)	454	492	502	37.4	37.1	47.0	51.4	53.6	45.5	36.1
Broilers										
Federally inspected slaughter, certified (mil. lb.)	7,966	8,987	9,227	745.5	715.7	830.0	769.1	902.6	874.9	—
Wholesale price, 9-city, (cts./lb.)	45.1	40.2	40.8	44.3	43.1	42.2	46.1	46.1	50.7	50.8
Price of broiler grower feed (\$/ton)	163	168	171	175	164	167	169	171	174	170
Broiler-feed price ratio (lb.) ²	3.2	2.8	2.7	3.0	3.0	3.0	3.3	3.2	3.5	3.9
Stocks, beginning of period (mil. lb.)	37.2	22.3	32.9	31.3	27.5	21.8	21.7	22.6	19.8	21.4
Average weekly placements of broiler chicks, 21 States (mil.)	57.7	63.6	66.7	67.0	69.0	71.7	74.7	76.8	76.8	73.2
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	1,716	1,950	1,892	189.6	59.7	86.3	80.8	129.3	189.5	—
Wholesale price, New York, 8-16 lb. young hens (cts./lb.)	53.2	48.7	54.0	50.8	59.2	60.9	59.2	61.3	63.6	67.8
Price of turkey grower feed (\$/ton)	167	174	184	188	177	179	183	184	186	186
Turkey-feed price ratio (lb.) ²	4.2	3.7	3.9	3.6	4.2	4.2	4.1	4.3	4.4	4.5
Stocks, beginning of period (mil. lb.)	275.0	195.2	203.4	201.4	168.3	136.6	112.9	101.1	103.6	152.1
Poults hatched (mil.)	137.1	149.5	148.4	15.4	13.7	18.1	19.1	20.7	18.8	15.0

¹ Price of cartoned eggs to volume buyers for delivery to retailers. ² Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight.

Meat animals:

	Annual			1977		1978				
	1975	1976	1977	July	Feb	Mar	Apr	May	June	July
Cattle on feed (7-States)										
Number on feed (thou. head) ¹	6,369	8,537	8,213	6,874	8,614	8,276	8,262	7,861	8,013	7,982
Placed on feed (thou. head) ²	18,095	18,976	20,817	1,494	1,509	1,887	1,509	2,034	1,769	1,587
Marketings (thou. head)	14,988	18,167	18,720	1,442	1,666	1,698	1,695	1,677	1,647	1,624
Other disappearance (thou. head)	939	1,133	1,383	55	181	203	215	205	153	78
Beef steer-corn price ratio, Omaha (bu.) ³	15.8	15.2	19.9	21.5	22.2	22.8	23.3	24.4	23.8	25.5
Hog-corn price ratio, Omaha (bu.) ³	16.9	16.5	20.2	23.8	24.0	22.2	20.4	20.9	20.6	21.8
Commercial slaughter (thou. head)										
Cattle	40,911	42,654	41,856	3,307	3,268	3,468	3,180	3,435	3,257	3,061
Steers	17,819	18,879	19,342	1,587	1,555	1,661	1,507	1,656	1,540	1,414
Heifers	10,438	12,158	11,748	900	912	999	916	972	922	946
Cows	11,557	10,619	9,864	744	742	742	690	735	723	637
Bulls and stags	1,097	998	902	76	59	66	67	72	72	64
Calves	5,209	5,350	5,517	420	387	439	352	336	318	304
Sheep and lambs	7,835	6,714	6,356	486	402	502	450	468	457	423
Hogs	68,687	73,784	77,303	5,121	6,090	7,068	6,459	6,556	6,022	5,630
Commercial production (mil. lb.)										
Beef	23,673	25,667	24,986	1,970	1,953	2,074	1,910	2,066	1,960	1,853
Veal	827	813	794	62	56	60	50	52	47	44
Lamb and mutton	399	361	341	25	22	28	25	26	25	23
Pork	11,586	12,488	13,051	869	1,013	1,179	1,093	1,125	1,046	962
Market prices										
Dol. per 100 pounds										
Slaughter cattle:										
Choice steers, Omaha	44.61	39.11	40.38	40.94	45.02	48.66	52.52	57.28	55.38	54.59
Utility cows, Omaha	21.09	25.31	25.32	25.23	30.34	32.44	36.94	39.21	37.61	38.09
Choice vealers, S. St. Paul	40.44	45.18	48.19	46.95	43.75	47.60	69.45	77.26	73.28	75.72
Feeder cattle:										
Choice, Kansas City, 600-700 lb.	33.91	39.40	40.19	40.64	47.60	52.00	55.08	60.36	58.56	60.60
Slaughter hogs:										
Barrows and gilts, No. 1&2, Omaha ⁴	50.12	44.70	42.10	46.62	49.72	48.01	46.60	50.15	49.06	47.82
Barrows and gilts, 7-markets	48.32	43.11	41.07	45.76	48.83	47.50	46.04	49.17	48.31	46.78
Feeder pigs:										
S. Mo. 40-50 lb. (per head)	44.80	36.54	35.42	36.90	44.12	51.63	54.57	54.08	45.36	45.21
Slaughter sheep and lambs:										
Lambs, Choice, San Angelo	44.45	49.87	54.28	50.42	64.88	76.69	73.12	72.85	61.44	60.62
Ewes, Good, San Angelo	15.34	17.69	19.19	14.58	26.94	28.40	23.81	24.15	25.50	27.33
Feeder lambs:										
Choice, San Angelo	41.40	51.28	55.12	47.33	76.31	80.85	73.33	75.05	68.75	69.33
Wholesale meat prices, Midwest⁵										
Choice steer beef, 600-700 lb.	72.55	60.99	62.67	63.65	71.08	74.88	81.43	88.48	85.95	84.81
Canner and Cutter cow beef	42.90	52.00	51.55	51.69	62.92	67.79	74.13	76.17	73.53	77.62
Pork loins, 8-14 lb.	92.69	86.45	83.04	91.66	92.63	90.04	89.29	97.70	100.54	97.03
Pork bellies, 12-14 lb.	78.52	65.27	54.19	63.55	67.14	74.58	70.61	66.97	56.87	57.93
Hams, skinned, 14-17 lb.	84.06	79.79	76.50	72.58	87.76	80.35	72.34	78.45	77.45	78.07

¹ Beginning of period. ² Other disappearance excluded in 1973; not comparable with 1974 and 1975. ³ Bushels of corn equal in value to 100 pounds liveweight. ⁴ 220-240 lb. ⁵ Prior to Oct. 1975, Chicago. ⁶ Quarters are Dec. preceding year-Feb. (I), Mar-May (II), June-Aug (III), and Sept-Nov (IV). ⁷ Intentions.

Wool:

	Annual			1977		1978				
	1975	1976	1977	July	Feb	Mar	Apr	May	June	July
U.S. wool price, Boston¹ (cts./lb.)	160	182	183	182	178	178	181	184	192	192
Imported wool price, Boston¹ (cts./lb.)	202	214	224	225	223	226	228	230	234	234
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	94,117	106,629	95,485	5,220	8,228	10,472	8,792	9,211	10,260	n.a.
Carpet wool (thou. lb.)	15,908	15,117	12,526	615	826	1,218	1,085	1,030	1,527	n.a.

¹ Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2 1/2" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. ² Wool price delivered at U.S. mills, clean basis, Australian 64's, type 78, including duty (25.5 cents). Prior to January 1976 reported as: Australian 64's combing, excluding duty. n.a. Not available.

Crops and Products

Supply and utilization of major crops¹

	Domestic measure ²				Metric measure ³			
	1976/77	1977/78 estimated	1978/79		1976/77	1977/78 estimated	1978/79	
			Projected	Probable* variability			Projected	Probable* variability
Wheat:								
			Mil. acres				Mil. hectares	
Area								
Planted	80.2	74.8	66.3	—	32.5	30.3	26.8	—
Harvested	70.8	66.2	56.5	—	28.7	26.8	22.9	—
			Bu. per acre				Metric tons per hectare	
Yield per harvested unit	30.3 ⁴	30.6	32.1	—	2.1	2.1	2.2	—
			Mil. bu.				Mil. metric tons	
Beginning stocks	665	1,112	1,174	—	18.1	30.3	32.0	—
Production	2,142	2,026	1,817	+35 to -35	58.3	55.1	49.4	+1 to -1
Imports	3	2	2	—	.1	.1	.1	—
Supply, total	2,810	3,140	2,993	+35 to -35	76.5	85.5	81.5	+1 to -1
Domestic	748	842	745	+60 to -60	20.4	22.9	20.3	+2 to -2
Exports	950	1,124	1,100	+100 to -100	25.8	30.6	29.9	+3 to -3
Use, total	1,698	1,966	1,845	+150 to -150	46.2	53.5	50.2	+5 to -5
Ending stocks	1,112	1,174	1,148	+175 to -175	30.3	32.0	31.3	+5 to -5
			Dol. per bu.				Dol. per metric ton	
Price received by farmers	2.73	³ 2.31	2.70-3.10	—	100.31	³ 84.88	99-114	—
Price, Kansas City, No. 1 HRW	2.88	⁴ 3.13	—	—	105.82	⁴ 115.01	—	—
Rice:			Mil. acres				Mil. hectares	
Area								
Allotment	1.80	1.80	1.80	—	.73	.73	.73	—
Planted	2.49	2.26	3.04	—	1.01	.91	1.23	—
Harvested	2.48	2.25	3.02	—	1.00	.91	1.22	—
			Lb. per acre				Metric tons per hectare	
Yield per harvested unit	4,663	4,412	4,518 ⁴	—	5.23 ²	4.94	5.06	—
			Mil. cwt.				Mil. metric tons	
Beginning stocks	36.9	40.5	27.5	—	1.7	1.8	1.2	—
Production	115.6	99.2	136.4	+8.0 to -8.0	5.2	4.5	6.2	+4 to -4
Imports	.1	—	—	—	—	—	—	—
Supply, total	152.6	139.7	163.9	—	6.9	6.3	7.4	—
Domestic	42.7	44.2	45.0	+2.0 to -2.0	1.9	2.0	2.1	+1 to -1
Exports	65.6	68.0	67.0	+5.0 to -5.0	3.0	3.1	3.0	+2 to -2
Use, total	108.3	112.2	112.0	+6.0 to -6.0	4.9	5.1	5.1	+3 to -3
Ending stocks	40.5	27.5	51.9	+7.0 to -7.0	1.8	1.2	2.3	+3 to -3
Difference unaccounted	+3.8	—	—	—	+2	—	—	—
			Dol. per cwt.				Dol. per metric ton	
Price received by farmers	7.02	³ 9.43	6.50-7.50	—	154.76	³ 207.89	143-165	—
Price, long-grain milled, S.W. La.	14.60	⁴ 21.28	—	—	321.87	⁴ 469.14	—	—
Feed grains: ⁵			Mil. acres				Mil. hectares	
Area								
Planted	128.7	128.1	121.4	—	52.1	51.8	49.1	—
Harvested	106.3	107.0	102.2	—	43.0	43.3	41.4	—
			Tons per acre				Metric tons per hectare	
Yield per harvested unit	2.01	2.08	2.18	—	4.50	4.66	4.61	—
			Mil. short tons				Mil. metric tons	
Beginning stocks	19.0	33.0	45.7	—	17.2	29.9	41.5	—
Production	213.2	222.4	222.8	+8 to -14	193.4	201.8	202.1	+7.3 to -12.7
Imports	4	.3	.3	—	.4	.3	.3	—
Supply, total	232.6	255.7	268.8	—	211.0	232.0	243.9	—
Feed	124.1	129.7	137.4	+8 to -8	112.6	117.6	124.6	+7 to -7
Food, seed, and industrial uses	19.7	20.7	21.4	—	17.9	18.8	19.5	—
Domestic, total	143.8	150.4	158.8	+8 to -8	130.5	136.4	144.1	+7 to -7
Exports	55.8	59.6	56.8	+5 to -5	50.6	54.1	51.5	+5 to -5
Use, total	199.6	210.0	215.6	+11 to -11	181.1	190.5	195.6	+10 to -10
Ending stocks	33.0	45.7	53.2	+7 to -10	29.9	41.5	48.3	+6 to -9

See footnotes at end of table

Supply and utilization of major crops¹—Continued

	Domestic measure ²				Metric measure ³			
	1976/77	1977/78 estimated	1978/79		1976/77	1977/78 estimated	1978/79	
			Projected	Probable* variability			Projected	Probable* variability
Corn:								
Area	Mil. acres				Mil. hectares			
Planted	84.4	82.7	78.5	—	34.2	33.5	31.8	—
Harvested	71.3	70.0	67.7	—	28.9	28.3	27.4	—
Yield per harvested unit	Bu. per acre				Metric tons per hectare			
	87.9	91.0	96.1	—	5.51	5.71	6.03	—
Beginning stocks	Mil. bu.				Mil. metric tons			
Production	399	884	1,107	—	10.1	22.5	28.1	—
Imports	6,266	6,371	6,503	+400 to -400	159.2	161.8	165.2	+10 to -10
Supply, total	3	2	1	—	.1	(⁴)	(⁴)	—
Feed	6,668	7,257	7,611	—	169.4	184.3	193.3	—
Food, seed, and industrial uses	3,587	3,750	4,000	+200 to -200	91.1	95.2	101.6	+5 to -5
Domestic, total	513	550	570	—	13.0	14.0	14.5	—
Exports	4,100	4,300	4,570	+200 to -200	104.1	109.2	116.1	+5 to -5
Use, total	1,684	1,850	1,750	+150 to -150	42.8	45.7	44.5	+4 to -5
Ending stocks	5,784	6,150	6,320	+300 to -300	146.9	156.2	160.6	+8 to -8
	884	1,109	1,291	+150 to -250	22.5	28.1	32.7	+4 to -6
Price received by farmers	Dol. per bu.				Dol. per metric ton			
Price, Chi., No. 2 yellow	2.15	³ 2.03	1.95-2.15	—	84.64	³ 79.92	77-85	—
	2.30	⁴ 2.28	—	—	90.55	⁴ 89.76	—	—
Soybeans:								
Area	Mil. acres				Mil. hectares			
Planted	50.2	59.1	64.4	—	20.3	23.9	26.1	—
Harvested	49.4	67.9	63.3	—	20.0	23.4	25.6	—
Yield per harvested unit	Bu. per acre				Metric tons per hectare			
	26.1	29.6	27.9	—	1.76	1.99	1.88	—
Beginning stocks	Mil. bu.				Mil. metric tons			
Production	245	103	125	+15 to -15	6.7	2.8	3.4	+4 to -4
Supply, total	1,288	1,716	1,765	+100 to -100	35.1	46.7	48.0	+2.7 to -2.7
Crushings	1,533	1,819	1,890	+100 to -100	41.7	49.5	51.4	+2.7 to -2.7
Exports	790	930	965	+50 to -50	21.5	25.3	26.3	+1.4 to -1.4
Seed, feed, and residual	564	705	720	+50 to -50	15.3	19.2	19.6	+1.4 to -1.4
Use, total	76	59	75	—	2.1	1.6	2.0	—
Ending stocks	1,430	1,694	1,760	+75 to -75	38.9	46.1	47.9	+2.0 to -2.0
	103	125	130	+50 to -50	2.8	3.4	3.5	+1.4 to -1.4
Price received by farmers	Dol. per bu.				Dol. per metric ton			
Price, Chi., No. 1 yellow	³ 6.81	5.80	6.00	+1.00 to -1.00	³ 250	213	220	+37 to -37
	7.36	⁴ 6.08	—	—	270.43	⁴ 223.40	—	—
Soybean oil:								
Beginning stocks	Mil. lb.				Thou. metric tons			
Production	1,251	767	750	+100 to -100	567	348	340	+45 to -45
Supply, total	8,578	10,283	10,420	+550 to -550	3,897	4,664	4,727	+49 to -49
Domestic	9,829	11,050	11,170	+550 to -550	4,458	5,012	5,067	+249 to -249
Exports	7,515	8,200	8,450	+500 to -500	3,409	3,719	3,833	+227 to -227
Use, total	1,547	2,100	1,800	+300 to -300	702	953	816	+136 to -136
Ending stocks	9,062	10,300	10,250	+400 to -400	4,111	4,672	4,649	+181 to -181
	767	750	920	+200 to -200	348	340	417	+91 to -91
Price, crude, Decatur	Cts. per lb.				Cts. per kilogram			
	24	25	22	+6 to -5	52.9	55.1	48.5	+110 to -110

See footnotes at end of table.

Supply and utilization of major crops¹—Continued

	Domestic measure ²				Metric measure ²			
	1976/77	1977/78 estimated	1978/79		1976/77	1977/78 estimated	1978/79	
			Projected	Probable* variability			Projected	Probable* variability
Soybean meal:			Thou. short tons				Thou. metric tons	
Beginning stocks	355	228	248	+50 to -50	322	207	225	+45 to -45
Production	18,488	22,420	22,920	+1,200 to -1,200	16,772	20,339	20,793	+1,089 to -1,089
Supply, total	18,843	22,648	23,168	+1,200 to -1,200	17,094	20,546	21,018	+1,089 to -1,089
Domestic	14,056	16,300	17,000	+1,000 to -1,000	12,751	14,787	15,422	+907 to -907
Exports	4,559	6,100	5,900	+400 to -400	4,136	5,534	5,352	+363 to -363
Use, total	18,615	22,400	22,900	+1,000 to -1,000	16,887	20,321	20,775	+907 to -907
Ending stocks	228	248	268	+75 to -75	207	225	243	+68 to -68
			Dol. per short ton				Dol. per metric ton	
Price, bulk, Decatur, 44%	199.80	165.00	175.00	+25 to -25	220.26	—	193	+26 to -26
Cotton:⁷			Mil. acres				Mil. hectares	
Area								
Planted	11.7	13.7	13.0	—	4.77	5.5	5.3	—
Harvested	10.9	13.3	12.3	—	4.41	5.4	5.0	—
			Lb. per acre				Metric tons per hectare	
Yield per harvested unit	465	520	462	—	52 ⁸	.58	.52	—
			Mil. 480-lb. bales				Mil. metric tons	
Beginning stocks	3.7	2.9	5.5	+1 to -1	.8	.6	1.2	(⁶)
Production	10.6	14.4	11.8	+5 to -1.0	2.3	3.1	2.6	+1 to -.2
Supply, total ⁹	14.3	17.3	17.3	+5 to -1.0	3.1	3.8	3.8	+2 to -.3
Mill use ¹⁰	6.7	6.5	6.5	+4 to -.4	1.5	1.4	1.4	+1 to -.1
Exports	4.8	5.6	5.5	+1.0 to -1.0	1.0	1.2	1.2	+2 to -.2
Use, total	11.5	12.0	12.0	+1.0 to -1.0	2.5	2.6	2.6	+2 to -.2
Difference unaccounted ¹⁰ . . . . .	.1	.2	.1	—	(⁶)	(⁶)	(⁶)	(⁶)
Ending stocks	2.9	5.5	5.4	+8 to -1.2	.6	1.2	1.2	+2 to -.3
			Cts. per lb.				Cts. per kilogram	
Price received by farmers	64.1	51.7	—	—	141.3	114.0	—	—
Price, SLM, 1-1/16 in., spot	70.9	52.8	—	—	156.3	116.4	—	—

¹ Marketing year beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, and soybean oil and meal. ² Conversion factors: Hectare (ha.)=2.471 acres; and 1 metric ton=2,204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 49.9296 bushels of barley, 69.8944 bushels of oats, 22.046 cwt. of rice, and 4.59 480-pound bales of cotton. ³ Season average estimate. ⁴ Average for beginning of marketing year through July 1978. ⁵ Corn, sorghum, oats, and barley. ⁶ Less than 0.05. ⁷ Upland and extra long staple. ⁸ Based on Census Bureau data. ⁹ Includes imports. ¹⁰ Difference between ending stocks based on Census Bureau data and preceding season's supply less distribution. ¹¹ Average to January 1, 1978.

*Reflects the "root mean square error" and/or "standard errors of estimate" and judgement. Chances are about 2 out of 3 that the outcome will fall within the indicated ranges.

Feed grains:

	Marketing year ¹			1977						
	1974/75	1975/76	1976/77	1978						
				July	Feb	Mar	Apr	May	June	July
Wholesale prices:										
Corn, No. 2 yellow, Chicago (\$/bu.)	3.12	2.75	2.30	2.05	2.21	2.36	2.51	2.57	2.51	2.28
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	5.04	4.46	3.49	3.15	3.49	3.78	3.92	3.92	3.82	3.54
Barley, feed, Minneapolis (\$/bu.)	2.58	2.38	2.35	1.63	1.65	1.66	1.99	1.90	1.84	1.71
Barley, malting, Minneapolis (\$/bu.) ²	4.16	3.52	3.13	2.02	2.33	2.32	2.44	2.51	2.39	2.13
Exports:										
Corn (mil. bu.)	1,149	1,711	1,684	117	129	158	162	208	*152	—
Feed grains (mil. short tons) ³	39.4	55.1	55.8	4.1	4.3	5.1	5.1	6.4	*4.8	—
	Marketing year ¹			1977						
	1974/75	1975/76	1976/77	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept
Corn:										
Stocks, beginning (mil. bu.)	484	361	399	4,890	3,293	2,365	884	5,463	3,842	2,800
Domestic use:										
Feed (mil. bu.)	3,226	3,592	3,587	1,070	550	808	1,249	1,077	571	—
Food, seed, ind. (mil. bu.)	451	490	513	127	96	169	125	130	101	—
Feed grains:²										
Stocks, beginning (mil. short tons)	23.7	15.9	19.0	163.8	109.2	77.4	47.8	187.1	131.5	96.4
Domestic use:										
Feed (mil. short tons)	116.1	128.0	124.1	36.0	18.5	28.5	43.0	37.2	19.3	—
Food, seed, ind. (mil. short tons)	17.7	18.8	19.7	4.8	4.2	6.3	4.5	4.9	4.4	—

¹ Beginning October 1 for corn and sorghum; June 1 for oats and barley. ² No. 3 or better, 65% or better plump beginning October 1977. ³ Aggregated data for corn, sorghum, oats, and barley. *Based on Inspections for Export. p Preliminary.

Food grains:

	Marketing year ¹			1977	1978					
	1974/75	1975/76	1976/77	July	Feb	Mar	Apr	May	June	July
Wholesale prices:										
Wheat, No. 1 HRW, Kansas City (\$/bu.) ²	4.20	3.74	2.88	2.35	2.84	3.07	3.21	3.12	3.12	3.14
Wheat, DNS, Minneapolis (\$/bu.) ³	4.57	3.74	2.96	2.29	2.72	2.86	3.08	3.10	3.06	2.95
Flour, Kansas City (\$/cwt.)	10.19	9.25	7.21	5.85	6.68	6.96	8.25	7.46	7.23	7.60
Flour, Minneapolis (\$/cwt.)	11.40	10.41	8.34	6.59	7.32	7.65	8.64	8.39	8.10	8.25
Rice, S.W. La. (\$/cwt.) ⁴	21.50	17.20	14.60	16.25	24.00	23.75	23.50	22.00	21.50	20.40
Wheat:										
Exports (mil. bu.)	1,018	1,173	950	88	100	111	111	128	117	—
Mill grind (mil. bu.)	538	572	593	44	49	55	50	54	52	—
Wheat flour production (mil. cwt.)	239	255	263	19	22	24	23	24	23	—

	Marketing year ¹			1977				1978		
	1974/75	1975/76	1976/77	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept
Wheat:										
Stocks, beginning (mil. bu.)	340	435	665	1,782	1,390	1,112	2,398	1,990	1,525	1,174
Domestic use:										
Food (mil. bu.)	521	559	553	138	82	182	147	146	94	—
Feed and seed (mil. bu.) ⁴	151	163	195	75	44	177	36	41	19	—
Exports (mil. bu.)	1,018	1,173	950	179	152	382	225	279	238	—

¹ Beginning June 1 for wheat and August 1 for rice. ² Ordinary protein. ³ Long-grain, milled basis. ⁴ Feed use approximated by residual.

Vegetables:

	Annual			1977	1978					
	1975	1976	1977	July	Feb	Mar	Apr	May	June	July
Wholesale prices:										
Potatoes, white, f.o.b. East (\$/cwt.)	5.65	5.90	5.52	5.06	3.92	3.79	4.67	3.52	11.62	8.73
Iceberg lettuce (\$/cwt.) ¹	2.70	3.57	3.23	3.12	4.27	3.66	9.77	6.49	6.95	4.65
Tomatoes (\$/cwt.) ²	5.81	6.44	6.61	7.83	6.57	7.78	11.89	7.15	7.46	6.20
Wholesale price index, 10 canned										
veg. (1967=100)	168	160	170	176	168	165	166	168	170	173
Grower price index, fresh commercial										
veg. (1967=100)	173	170	197	169	201	209	296	247	251	244

¹ Std. carton 24's, f.o.b. shipping point. ² 2 layers, 5 x 5.6 x 5, f.o.b. Fla.-Cal.

Fruit:

	Annual			1977	1978					
	1975	1976	1977	July	Feb	Mar	Apr	May	June	July
Wholesale Price Indexes:										
Fresh fruit (1967=100)	157.8	160.4	177.5	172.7	183.2	188.2	200.1	194.6	214.8	253.6
Dried fruit (1967=100)	213.4	234.9	338.4	353.3	284.3	284.3	285.1	291.2	292.0	293.9
Canned fruit and juice (1967=100)	173.8	174.4	190.4	191.0	204.1	204.9	205.7	207.4	210.3	213.9
Frozen fruit and juice (1967=100)	156.5	156.2	196.5	194.1	228.7	229.9	229.9	229.9	229.9	229.9
F.o.b. shipping point prices:										
Apples, Yakima Valley (\$/cwt.) ¹	7.36	7.46	9.11	10.34	9.50	10.87	11.80	15.26	16.00	16.76
Pears, Yakima Valley (\$/box) ²	6.63	7.35	6.94	—	9.06	11.17	14.63	19.25	—	—
Oranges, U.S. avg. (\$/box)	6.76	6.72	7.44	7.98	10.17	10.18	9.51	9.86	10.34	10.68
Grapefruit, U.S. avg. (\$/box)	6.18	5.76	6.34	6.98	5.91	5.83	5.56	5.63	7.41	9.51
Stocks, beginning:										
Fresh apples (mil. lb.)	2,214.1	2,569.3	2,249.0	167.0	1,656.5	1,171.1	750.0	431.1	185.7	72.9
Fresh pears (mil. lb.)	170.5	162.3	211.6	.3	106.6	56.4	23.3	3.9	—	—
Frozen fruit (mil. lb.)	607.3	558.3	538.9	456.0	547.8	513.4	468.5	418.7	384.3	432.7
Frozen fruit juices (mil. lb.)	883.0	967.0	844.1	1,190.2	736.8	772.6	871.7	1,033.4	1,140.1	1,150.2

¹ Red Delicious, Washington extra fancy, carton tray pack. 80-125's: Regular storage through Feb., C.A. Storage beginning March. ² D'Anjou pears, Washington wrapped, U.S. No. 1, 90-135's: Regular storage through Feb., C.A. Storage beginning March.

Cotton:

	Marketing year ¹			1977	1978					
	1974/75	1975/76	1976/77	July	Feb	Mar	Apr	May	June	July
U.S. price, SLM, 1-1/16 in. (cts./lb.) ²	41.7	58.0	70.9	58.2	52.9	55.0	54.7	57.6	57.4	57.0
Northern Europe prices:										
Index (cts./lb.) ³	52.5	65.3	81.7	67.1	66.4	68.5	69.3	70.7	71.4	70.7
U.S., SM 1-1/16 in. (cts./lb.) ⁴	56.4	71.4	82.4	66.5	66.0	68.3	69.4	72.1	72.4	71.4
U.S. mill consumption (thou. bales)	6,833.7	7,227.7	6,674.4	407.7	521.4	646.2	605.3	504.3	595.8	—
Exports (thou. bales)	3,925.9	3,311.3	4,783.6	294.5	527.8	741.9	672.9	537.5	556.0	—

¹ Beginning August 1. ² Average spot market. ³ Liverpool Outlook "A" index; average of five lowest priced of 10 selected growths. ⁴ Memphis territory growths.

Fats and oils:

	Marketing Year ¹			1977	1978					
	1974/75	1975/76	1976/77	July	Feb	Mar	Apr	May	June	July
Soybeans:										
Wholesale price, No. 1 yellow, Chicago (\$/bu.)	6.34	5.25	7.36	6.54	5.57	6.53	6.81	7.09	6.79	6.54
Crushings (mil. bu.)	701.3	865.1	790.2	50.6	75.4	86.5	80.1	82.7	72.4	71.1
Processing margin (\$/bu.) ²	.17	.16	.19	.14	.28	1.40	.14	.35	.25	.32
Exports (mil. bu.)	420.7	555.1	564.1	27.2	64.4	66.6	72.7	79.3	63.4	—
Soybean oil:										
Wholesale price, crude, Decatur (cts./lb.)	30.7	18.3	23.9	23.8	21.7	26.6	26.8	28.8	26.9	25.9
Production (mil. lb.)	7,375.3	9,629.8	8,577.9	566.6	809.4	943.3	866.9	908.2	795.1	782.1
Domestic disappearance (mil. lb.)	6,618.1	7,906.1	7,454.4	544.3	719.1	732.9	616.0	710.5	612.9	—
Exports (mil. lb.)	1,028.3	975.8	1,547.5	160.0	147.9	263.1	232.5	184.2	162.6	—
Stocks, beginning (mil. lb.)	793.6	560.6	1,250.6	1,168.4	913.8	856.5	803.8	822.2	828.7	841.2
Soybean meal:										
Wholesale price, 44% protein, Decatur (\$/ton)	130.86	147.77	199.80	162.30	152.90	171.90	173.00	177.40	169.75	172.00
Production (thou. ton)	16,701.5	20,754.2	18,488.1	1,211.3	1,778.4	2,050.0	1,903.3	1,959.4	1,725.2	1,690.2
Domestic disappearance (thou. ton)	12,501.3	15,551.6	14,000.8	956.9	1,335.8	1,340.9	1,163.1	1,476.8	1,275.2	—
Exports (thou. ton)	4,298.8	5,144.8	4,559.2	244.5	454.6	721.5	659.3	508.9	540.8	—
Stocks, beginning (thou. ton)	507.3	358.3	354.9	390.7	251.7	239.7	227.3	308.2	281.9	191.1
Margarine, wholesale price, Chicago (cts./lb.)	44.3	37.9	31.4	42.4	34.6	39.0	41.7	42.8	47.4	46.0

¹ Beginning September 1 for soybeans; October 1 for soy meal and oil; calendar year 1974, 1975, and 1976 for margarine. ² Spot basis, Illinois shipping points.

Sugar:

	Annual			1977	1978					
	1975	1976	1977	July	Feb	Mar	Apr	May	June	July
Wholesale price, N.Y. (\$/cwt.) ¹	22.47	13.31	² 10.99	10.15	—	—	—	—	—	—
U.S. deliveries (thou. short tons) ^{1 2}	9,974	10,856	11,207	9.75	772	927	861	888	⁴ 999	⁴ 895

¹ Raw value. ² Excludes Hawaii. ³ Ten month average. ⁴ Preliminary.

Tobacco:

	Annual			1977	1978					
	1975	1976	1977	July	Feb	Mar	Apr	May	June	July
Prices at auctions:										
Flue-cured (cts./lb.) ¹	99.8	110.4	117.6	89.0	—	—	—	—	—	127.9
Burley (cts./lb.) ¹	105.6	114.2	120.0	—	122.1	115.5	—	—	—	—
Domestic consumption ²										
Cigarettes (bil.)	588.3	617.1	³ 592.0	43.3	49.3	55.3	50.3	54.4	58.3	—
Large cigars (mil.)	5,692	5,266	³ 4,841	361.2	354.9	434.2	371.6	413.4	436.7	—

¹ Crop year July-June for flue-cured, October-September for burley. ² Taxable removals. ³ Subject to revision.

Coffee:

	Annual			1977	1978p					
	1975	1976	1977p	July	Feb	Mar	Apr	May	June	July
Composite green price, N.Y. (cts./lb.)	71.76	142.48	256.38	246.15	191.31	167.67	166.78	158.40	169.82	143.14
Imports, green bean equivalent (mil. lb.) ¹	2,767	2,717	1,974	152	217	230	218	185	173	n.a.
	Annual			1976	1977		1978p			
	1975	1976	1977p	Oct-Dec	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
Roastings (mil. lb.) ²	2,454	2,519	1,892	611	428	313	522	591	470	n.a.

¹ Green and processed coffee. ² Instant soluble and roasted coffee. p preliminary. n.a. not available.

General Economic Data

Gross national product and related data

	First half			1976		1977				1978	
	1976	1977	1978	III	IV	I	II	III	IV	I	II
\$ Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product ¹	1,667.6	1,836.9	2,037.6	1,715.6	1,749.6	1,806.8	1,867.0	1,916.8	1,958.1	1,992.0	2,083.2
Personal consumption expenditures	1,064.4	1,178.2	1,300.8	1,098.4	1,133.7	1,167.7	1,188.6	1,214.5	1,255.2	1,276.7	1,324.9
Durable goods	153.4	174.4	190.8	156.7	162.8	163.2	175.6	177.4	187.2	183.5	198.0
Nondurable goods	433.8	469.8	510.6	444.5	458.3	465.9	473.6	479.7	496.9	501.4	519.8
Clothing and shoes	74.0	78.9	85.2	76.1	78.5	78.5	79.3	81.4	86.7	82.9	87.6
Food and beverages	221.7	241.0	262.8	227.4	232.3	237.5	244.5	246.4	252.6	257.7	267.9
Services	477.2	634.0	599.4	497.2	512.6	528.6	539.4	557.5	571.1	691.8	607.1
Gross private domestic investment	237.5	284.0	333.4	249.9	247.1	272.5	295.6	309.7	313.5	322.7	344.0
Fixed investment	224.1	270.4	315.6	235.3	247.6	262.2	278.6	287.8	300.5	306.0	325.1
Nonresidential	160.0	183.9	212.7	168.1	170.5	180.6	187.2	193.5	200.3	205.6	219.8
Residential	64.2	86.5	102.8	67.3	77.1	81.6	91.4	94.3	100.2	100.3	105.3
Change in business inventories	13.4	13.6	17.8	14.5	6	10.3	17.0	21.9	13.1	16.7	18.9
Net exports of goods and services	10.0	-7.2	-17.2	6.9	2.8	-8.5	-5.9	-7.0	-23.2	-24.1	-10.2
Exports	157.6	174.5	191.3	168.2	169.4	170.9	178.1	180.8	172.1	181.7	200.9
Imports	147.5	181.7	208.4	161.3	166.6	179.4	184.0	187.8	195.2	205.8	211.1
Government purchases of goods and services	355.6	381.9	420.6	360.4	366.3	375.0	388.8	399.5	412.5	416.7	424.5
Federal	127.4	140.6	149.4	129.9	134.6	138.3	142.9	146.8	152.2	161.5	147.2
State and local	228.2	241.3	271.2	230.5	231.7	236.7	245.9	252.7	260.3	265.2	277.3
1972 \$ Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product	1,261.8	1,316.1	1,367.4	1,276.5	1,284.0	1,306.7	1,325.5	1,343.9	1,354.5	1,354.2	1,380.5
Personal consumption expenditures	810.2	848.0	880.4	820.9	836.2	846.6	849.5	858.0	876.6	873.5	887.3
Durable goods	125.0	135.6	141.8	125.3	128.5	134.9	136.2	136.9	143.0	137.8	145.9
Nondurable goods	316.4	327.2	335.0	320.5	327.7	327.1	327.2	329.2	338.1	333.3	336.6
Clothing and shoes	63.5	65.0	68.2	64.2	65.7	64.9	65.1	66.2	70.2	66.8	69.6
Food and beverages	156.3	164.0	165.2	159.8	162.9	163.3	164.7	164.9	167.6	165.6	164.7
Services	368.8	385.3	403.6	375.1	380.0	384.6	386.0	391.8	395.6	402.4	404.8
Gross private domestic investment	171.6	191.6	209.1	177.1	173.4	186.1	197.1	201.7	200.3	205.7	212.5
Fixed investment	162.8	183.7	197.0	167.8	173.6	180.3	187.1	189.5	192.8	193.4	200.5
Nonresidential	116.6	128.0	137.1	121.0	121.4	126.8	129.1	130.8	132.5	133.8	140.4
Residential	46.2	55.8	59.8	46.8	52.3	53.5	58.0	58.8	60.3	59.5	60.1
Change in business inventories	8.8	7.9	12.2	9.3	2	5.8	10.0	12.2	7.5	12.3	12.0
Net exports of goods and services	16.3	11.1	5.9	16.1	13.1	11.2	11.0	12.5	3.1	2.9	8.9
Exports	94.2	98.0	102.6	98.0	97.3	97.1	98.9	100.8	96.0	99.1	106.1
Imports	78.0	86.9	96.8	81.9	84.2	85.9	87.9	88.2	92.9	96.2	97.3
Government purchases of goods and services	263.8	265.4	272.0	262.5	261.3	262.8	267.9	271.7	274.5	272.1	271.9
Federal	96.0	100.0	99.2	96.8	97.5	98.7	101.3	102.9	103.6	101.2	97.1
State and local	167.7	165.4	172.8	165.7	163.8	164.1	166.6	168.8	170.9	170.8	174.7
New plant and equipment expenditures (\$ bil.)	116.42	132.20	146.56	122.55	125.22	130.16	134.24	140.38	138.11	144.25	148.88
Implicit price deflator for GNP (1972=100)	132.16	139.56	148.88	134.39	136.28	138.27	140.86	142.63	144.56	147.10	150.90
Disposable income (\$bil.)	1,161.6	1,266.6	1,412.6	1,192.8	1,221.5	1,248.0	1,285.3	1,319.1	1,359.6	1,391.6	1,433.3
Disposable income (1972 \$bil.)	884.0	911.7	956.0	891.6	900.9	904.6	918.6	931.9	949.6	952.1	959.9
Per capita disposable income (\$)	5,408	5,853	6,480	5,538	5,660	5,772	5,934	6,077	6,250	6,387	6,566
Per capita disposable income (1972 \$)	4,116	4,213	4,385	4,139	4,174	4,185	4,241	4,293	4,365	4,370	4,397
U.S. population, tot. incl. military abroad (mil.)	214.8	216.4	218.1	215.4	215.8	216.2	216.6	217.1	217.5	217.9	218.3
Civilian population (mil.)	212.6	214.3	216.0	213.2	213.7	214.1	214.5	214.9	215.4	215.8	216.2

See footnotes at end of next table.

Selected monthly indicators

	January-June			1977	1978					
	1976	1977	1978p	July	Feb	Mar	Apr	May	June	July
Monthly data seasonally adjusted except as noted										
Industrial Production, total ¹ (1967=100)	128.3	135.3	141.8	138.7	139.2	140.9	143.2	143.9	144.6p	145.3p
Manufacturing (1967=100)	128.0	135.0	142.0	138.5	139.4	141.4	143.5	144.2	144.9p	145.6p
Durable (1967=100)	119.8	127.0	135.0	131.6	131.5	134.4	136.9	137.6	138.5p	139.6p
Nondurable (1967=100)	139.9	146.6	152.2	148.6	150.6	151.4	153.2	153.8	154.3p	154.3p
Leading economic indicators ^{1, 2} (1967=100)	123.2	128.9	135.1	129.4	134.4	134.5	135.7	135.8p	136.3p	—
Employment ⁴ (Mil. persons)	87.0	89.7	93.6	90.6	93.0	93.3	93.8	94.1	94.8	94.4
Unemployment rate ⁴ (%)	7.6	7.3	6.1	6.9	6.1	6.2	6.0	6.1	5.7	6.2
Personal income ¹ (\$bil. annual rate)	1,350.1	1,489.6	1,655.6	1,533.5	1,625.0	1,646.3	1,669.4	1,682.1	1,695.0	1,719.2p
Hourly earnings in manufacturing ^{4, 5} (\$)	5.08	5.51	5.98	5.65	5.94	5.96	5.99	6.02	6.07p	6.12p
Money stock (daily average) ³ (\$bil.)	299.8	317.7	344.4	327.5	339.9	340.9	346.3	348.6	350.3p	351.8p
Time and savings deposits (daily average) ³ (\$bil.)	459.0	504.7	564.8	518.3	557.5	562.9	566.8	573.6	575.8p	582.0p
Three-month Treasury bill rate ³ (%)	5.061	4.726	6.444	5.146	6.457	6.319	6.306	6.430	6.707	7.074p
Aaa corporate bond yield (Moody's) ^{5, 6} (%)	8.54	8.02	8.56	7.94	8.47	8.47	8.56	8.69	8.76	8.88p
Interest rate on new home mortgages ^{5, 7} (%)	8.94	8.98	9.29	9.00	9.18	9.26	9.30	9.37	9.46	9.57p
Housing starts, private (including farm) (thou.)	1,420	1,841	1,918	2,072	1,569	2,047	2,165	2,054	2,124	2,085p
Auto sales at retail, total ¹ (mil.)	10.2	11.4	—	10.9	10.5	11.8	12.5	12.1p	—	—
Business sales, total ¹ (\$bil.)	196.3	219.1	244.6	221.9	238.3	242.7	250.9	252.2	253.2p	—
Business inventories, total ¹ (\$bil.)	291.0	318.0	347.4	325.0	340.4	345.8	350.5	354.2	355.8	—
Sales of all retail stores (\$bil.) ⁸	52.3	57.5	62.8	58.6	61.7	62.7	64.1	64.2	64.3p	64.4p
Durable goods stores (\$bil.)	17.1	19.5	21.2	19.5	20.6	20.9	22.0	21.8	21.8p	21.9p
Nondurable goods stores (\$bil.)	35.2	38.0	41.7	39.0	41.1	41.8	42.1	42.5	42.5p	42.5p
Food stores (\$bil.)	12.0	12.8	14.0	13.1	13.9	13.9	14.2	14.3	14.3p	14.4p
Eating and drinking places (\$bil.)	4.7	5.2	5.7	5.3	5.5	5.8	5.8	5.8	5.8p	5.8p
Apparel and accessory stores (\$bil.)	2.7	2.7	2.9	2.7	2.8	2.9	3.0	3.0	2.9p	3.0p

¹ Department of Commerce. ² Board of Governors of the Federal Reserve System. ³ Composite index of 12 leading indicators. ⁴ Department of Labor, Bureau of Labor Statistics. ⁵ Not seasonally adjusted. ⁶ Moody's Investors Service. ⁷ Federal Home Loan Bank Board. ⁸ Adjusted for seasonal variations, holidays, and trading day differences. p. Preliminary.

U.S. Agricultural Trade

Prices of principal U.S. agricultural trade products

	Annual			1977	1978					
	1975	1976	1977	July	Feb	Mar	Apr	May	June	July
Export commodities:										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.)	4.16	3.65	2.85	2.66	3.29	3.43	3.67	3.48	3.52	3.52
Corn, f.o.b. vessel, Gulf ports (\$/bu.)	3.10	2.91	2.49	2.25	2.71	2.80	3.04	2.97	2.81	2.55
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.)	2.95	2.73	2.30	2.06	2.39	2.52	2.72	2.79	2.58	2.37
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.)	5.72	6.07	7.38	6.80	6.33	7.20	7.54	7.78	7.25	7.08
Soybean oil, Decatur (cts./lb.)	25.39	18.05	23.69	23.77	21.65	26.62	26.80	28.79	26.87	25.87
Soybean meal, Decatur (\$/ton)	124.05	155.82	192.17	162.00	152.90	171.90	173.00	177.40	169.75	172.00
Cotton, 10 market avg. spot (cts./lb.)	44.70	67.70	60.48	58.18	52.89	55.01	54.72	57.59	57.35	56.99
Tobacco, avg. price of auction (cts./lb.)	103.50	105.73	114.24	96.72	117.30	115.70	117.00	117.01	116.97	118.84
Rice, f.o.b. mill, Houston (\$/cwt.)	21.28	16.17	16.96	16.25	25.00	24.10	23.25	22.10	21.75	21.50
Inedible tallow, Chicago (cts./lb.)	12.04	13.27	13.61	12.88	14.12	15.44	15.75	15.75	16.00	16.25
Import commodities:										
Coffee, N.Y. spot (cts./lb.) .....	.77	1.42	2.41	2.18	2.03	1.79	1.72	1.67	1.72	1.50
Sugar, N.Y. spot (cts./lb.)	22.47	13.31	10.99	10.15	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Cow meat, f.o.b. port of entry (cts./lb.)	60.20	71.69	68.42	64.31	86.80	90.70	101.50	102.10	90.20	88.63
Rubber, N.Y. spot (cts./lb.)	30.60	39.59	41.59	39.38	44.76	45.36	44.30	45.60	49.24	49.91
Cocoa beans, N.Y. (\$/lb.) .....	.56	.94	1.72	2.01	1.28	1.54	1.53	1.41	1.35	1.43
Bananas, f.o.b. port of entry (\$/40-lb. box)	4.41	4.67	4.17	4.24	5.50	6.40	6.61	6.50	4.63	4.33
Canned Danish hams, ex-warehouse N.Y. (\$/lb.) ..	1.75	1.75	1.85	1.90	2.07	2.07	1.94	1.87	1.94	1.99
Quantity Indices										
Export (1967=100)	156	174	177	158	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Import (1967=100)	123	138	138	128	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Unit Value Indices										
Export (1967=100)	221	207	210	208	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Import (1967=100)	203	217	235	230	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

n.a. not available.

U.S. agricultural exports

	October-June				June			
	1976/77		1977/78		1977		1978	
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live, excl. poultry	—	—	69,137	83,491	—	—	7,913	12,500
Meat and preps., excl. poultry (mt)	315	302	452,590	495,794	33	33	49,703	60,718
Dairy products, excl. eggs	—	—	120,677	115,316	—	—	23,357	13,679
Poultry and poultry products	—	—	215,274	252,047	—	—	24,955	23,663
Grains and preparations	—	—	7,101,952	7,717,500	—	—	717,472	1,181,290
Wheat and wheat flour (mt)	16,694	22,810	2,146,150	2,764,523	2,174	3,092	258,663	402,736
Rice, milled (mt)	1,328	1,340	424,848	534,641	142	204	50,628	91,758
Feed grains (mt)	39,065	40,685	4,287,830	4,152,010	3,628	5,787	376,834	640,452
Other	—	—	243,124	266,326	—	—	33,347	46,344
Fruits, nuts, and preparations	—	—	741,206	928,856	—	—	89,803	113,821
Vegetables and preparations	—	—	571,189	505,740	—	—	56,174	69,473
Sugar and preps., incl. honey	—	—	50,224	52,289	—	—	5,608	5,070
Coffee, tea, cocoa, spices, etc. (mt)	31	43	89,275	133,645	3	4	8,738	14,943
Feeds and fodders	—	—	1,259,522	1,313,152	—	—	106,492	162,227
Protein meal (mt)	3,546	4,648	786,809	902,422	222	518	60,359	108,583
Beverages, excl. distilled alcoholic (hl)	363	460	18,545	21,773	57	64	2,959	2,890
Tobacco, unmanufactured (mt)	216	210	783,692	855,302	19	14	69,602	52,897
Hides, skins, and furskins	—	—	636,077	643,675	—	—	53,702	64,779
Oilseeds	—	—	4,106,220	4,407,093	—	—	324,741	510,678
Soybeans (mt)	13,514	16,639	3,836,323	3,976,226	843	1,726	294,829	468,151
Wool, unmanufactured (mt)	3	3	19,348	25,117	(¹)	(¹)	2,724	2,665
Cotton, unmanufactured (mt)	798	954	1,309,330	1,303,374	101	115	168,446	155,578
Fats, oils, and greases (mt)	1,037	999	421,024	419,466	118	125	54,324	55,682
Vegetable oils and waxes (mt)	940	1,154	570,342	710,301	114	127	74,001	82,336
Rubber and allied gums (mt)	16	6	18,661	7,249	2	(¹)	2,811	236
Other	—	—	419,222	519,830	—	—	36,721	54,980
Total	—	—	18,973,507	20,511,010	—	—	1,880,246	2,640,005

¹ Less than 500. NOTE: 1 metric ton (mt) = 2,204.622 lb., 1 hectoliter (hl) = 100 liters = 26.42008 gal.

U.S. agricultural exports by regions

Region ¹	October-June		June		Change from year-earlier	
	1976/77	1977/78	1977	1978	Oct-June 1977/78	June 1978
	\$ Mil.				Pct.	
Western Europe	7,285	6,673	576	709	-8	+23
Enlarged European Community	5,938	5,194	481	552	-13	+15
Other Western Europe	1,347	1,480	95	157	+10	+65
Eastern Europe and USSR	1,470	2,185	89	355	+49	+299
USSR	966	1,496	60	227	+55	+278
Eastern Europe	505	690	28	128	+37	+357
Asia	6,268	6,943	733	873	+11	+19
West Asia	806	934	107	164	+16	+53
South Asia	560	451	115	43	-19	-63
Southeast Asia, ex. Japan and PRC	1,847	2,152	237	264	+17	+11
Japan	3,054	3,209	275	356	+5	+29
Peoples Republic of China	(²)	198	0	46	—	—
Latin America	1,432	1,912	191	299	+34	+57
Canada, excluding transshipments	1,233	1,146	149	155	-7	+4
Canadian transshipments	222	402	17	83	+81	+388
Africa	963	1,132	117	155	+18	+32
North Africa	561	670	58	101	+19	+74
Other Africa	402	462	58	54	+15	-7
Oceania	102	117	7	12	+15	+71
Total ³	18,974	20,511	1,880	2,640	+8	+40

¹ Not adjusted for transshipments. ² Less than \$500,000. ³ Totals may not add due to rounding.

U.S. agricultural imports

	October-June				June			
	1976/77	1977/78	1976/77	1977/78	1977	1978	1977	1978
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals live, excl. poultry	—	—	190,330	259,564	—	—	16,190	17,069
Meat and preps., excl. poultry (mt)	569	654	959,712	1,160,576	61	76	102,576	154,272
Beef and veal (mt)	443	524	599,987	770,879	47	61	62,185	113,482
Pork (mt)	108	110	328,271	350,584	13	12	37,102	36,008
Dairy products, excl. eggs	—	—	225,344	241,214	—	—	22,623	24,809
Poultry and poultry products	—	—	56,554	74,034	—	—	11,300	7,602
Grains and preparations	—	—	128,115	135,683	—	—	22,546	16,807
Wheat and flour (mt)	35	(¹)	3,387	98	(¹)	(¹)	970	6
Rice (mt)	1	2	560	749	(¹)	(¹)	51	90
Feed grains (mt)	206	131	29,882	14,136	70	10	9,959	1,083
Other	—	—	94,286	120,700	—	—	11,566	15,628
Fruits, nuts, and preparations	—	—	672,333	743,281	—	—	92,657	91,552
Bananas (mt)	1,596	1,647	232,967	243,641	206	178	28,937	28,675
Vegetables and preparations	—	—	504,958	645,547	—	—	50,622	53,797
Sugar and preps., incl. honey	—	—	798,489	735,739	—	—	97,538	83,816
Sugar, cane or beet (mt)	3,154	3,030	654,825	613,225	364	301	78,538	69,185
Coffee, tea, cocoa, spices, etc. (mt)	1,321	1,127	4,539,905	4,157,583	115	119	523,686	407,316
Coffee, green (mt)	855	724	3,338,297	2,756,918	68	75	362,219	256,597
Cocoa beans (mt)	165	138	373,154	457,989	14	13	43,633	38,846
Feeds and fodders	—	—	53,375	50,726	—	—	6,632	5,345
Protein meal (mt)	19	5	3,666	1,045	4	(¹)	1,469	58
Beverages, incl. distilled alcoholic (hl)	41,136	47,480	384,309	486,769	5,771	7,630	52,197	81,147
Tobacco, unmanufactured (mt)	98	110	213,961	270,645	10	13	23,291	33,228
Hides, skins, and furskins	—	—	162,323	194,467	—	—	18,000	21,111
Oilseeds	—	—	73,882	37,787	—	—	9,510	3,786
Soybeans (mt)	(¹)	(¹)	17	43	(¹)	(¹)	1	7
Wool, unmanufactured (mt)	28	19	73,925	55,735	5	2	12,026	6,609
Cotton, unmanufactured (mt)	18	11	14,359	4,859	3	3	712	1,264
Fats, oils, and greases (mt)	7	7	3,528	3,749	1	1	487	384
Vegetable oils and waxes (mt)	802	669	414,820	343,380	102	106	67,709	42,541
Rubber and allied gums (mt)	583	581	463,302	491,626	72	55	58,196	47,164
Other	—	—	394,802	456,376	—	—	48,178	49,272
Total	—	—	10,328,326	10,549,340	—	—	1,237,676	1,148,891

¹ Less than 500. NOTE: 1 metric ton (mt) = 2,204.622 lb.; 1 hectoliter (hl) = 100 liters = 26.42008 gal.

Trade balance

	October-June		June	
	1976/77	1977/78	1977	1978
	\$ Mil.			
Agricultural exports ¹	18,984	20,511	1,880	2,640
Nonagricultural exports ²	71,400	76,325	8,186	9,622
Total exports ¹	90,384	96,836	10,066	12,262
Agricultural imports ³	10,346	10,552	1,240	1,149
Nonagricultural imports ⁴	95,646	112,297	12,925	13,476
Total imports ⁴	105,992	122,849	14,165	14,625
Agricultural trade balance	8,638	9,959	640	1,491
Nonagricultural trade balance	-24,246	-35,972	-4,739	-3,854
Total trade balance	-15,608	-26,013	-4,099	-2,363

¹ Domestic exports (F.A.S. value). ² Domestic and foreign exports excluding Department of Defense grant-aid, (F.A.S. value). ³ Imports for consumption (customs value). ⁴ General imports, (customs value).

World Agricultural Production

World supply and utilization of major crops

	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79 ¹
	Mil. units					
Wheat:						
Area (hectare)	216.6	220.4	225.0	232.5	225.1	226.8
Production (metric ton)	372.2	357.0	350.0	415.1	381.4	412.7
Exports (metric ton)	72.6	68.0	73.7	70.0	74.3	72.7
Consumption (metric ton) ²	364.0	363.7	353.2	379.9	397.1	407.9
Ending stocks (metric ton) ³	69.3	62.6	59.4	94.6	78.9	83.7
Coarse grains:						
Area (hectare)	341.6	339.6	349.5	352.0	351.3	351.9
Production (metric ton)	667.8	628.0	644.5	701.7	694.5	713.6
Exports (metric ton)	80.9	69.5	87.8	88.5	94.0	87.3
Consumption (metric ton) ²	672.2	633.6	646.2	684.1	687.2	706.7
Ending stocks (metric ton) ³	65.4	59.8	58.1	75.7	83.0	89.9
Rice, rough:						
Area (hectare)	135.8	138.1	143.1	141.5	143.5	146.4
Production (metric ton)	330.9	337.7	360.6	348.9	367.0	373.2
Exports (metric ton)	11.4	11.0	11.9	14.2	13.1	12.7
Consumption (metric ton) ²	328.4	331.1	355.4	350.2	358.5	376.8
Ending stocks (metric ton) ³	17.9	18.2	23.4	22.1	30.6	27.0
Total grains:						
Area (hectare)	694.0	698.1	717.6	725.0	719.9	725.1
Production (metric ton)	1,370.9	1,322.7	1,355.1	1,465.7	1,442.9	1,499.5
Exports (metric ton)	164.9	148.5	173.4	172.7	181.4	172.7
Consumption (metric ton) ²	1,364.6	1,328.4	1,354.8	1,414.2	1,442.8	1,491.4
Ending stocks (metric ton) ³	152.6	140.6	140.9	192.4	192.5	200.6
Oilseeds and meals:⁴ ⁵						
Production (metric ton)	68.3	64.3	72.7	66.5	76.5	—
Trade (metric ton)	27.3	27.6	33.6	33.7	37.1	—
Fats and oils:⁵						
Production (metric ton)	47.4	46.5	49.8	47.8	51.1	—
Trade (metric ton)	13.6	13.7	15.8	16.0	17.6	—
Cotton:						
Area (hectare)	32.8	33.4	29.8	30.8	32.8	32
Production (bale)	63.2	64.4	54.3	58.2	63.7	61.9
Exports (bale)	19.6	17.4	19.2	17.8	19.5	19.0
Consumption (bale)	62.0	58.6	61.8	61.6	61.0	61.8
Ending stocks (bale)	25.1	31.0	23.3	20.2	22.7	22.8

¹ Forecast. ² Where stock data not available (excluding USSR), consumption includes stock changes. ³ Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. ⁴ Soybean meal equivalent.

⁵ Calendar year data. 1973 data corresponds with 1972/73, 1974 data with 1973/74, etc..

Order Now!

RECENT PUBLICATIONS ORDER FORM

To order recent ESCS publications, circle the number of the report described. For fastest service, leave label on reverse side intact. Clip and return form to:

U.S. DEPARTMENT OF AGRICULTURE
ECONOMICS, STATISTICS, AND COOPERATIVES SERVICE
PUBLICATIONS
ROOM 0054—SOUTH BUILDING
WASHINGTON, D.C. 20250

AER-408 A16-416 ESCS-25 ESCS-33 FAER-151 SB-522 SB-608 SB-609 SB-610

SEPTEMBER 1978

AGRICULTURAL OUTLOOK SUBSCRIPTION ORDER FORM

MAIL TO:
SUPERINTENDENT OF DOCUMENTS
GOVERNMENT PRINTING OFFICE
WASHINGTON, D.C. 20402

Enter my subscription to AGRICULTURAL OUTLOOK at \$17.00 U.S., \$21.25 foreign:

NAME—FIRST, LAST																							
COMPANY NAME OR ADDITIONAL ADDRESS LINE																							
STREET ADDRESS																							
CITY												STATE				ZIP CODE							

- ☐ Renewal (Include current address label).
- ☐ New subscription
- ☐ Here is my check for \$ _____ payable to Superintendent of Documents
- ☐ Charge to my Deposit Account No. _____

*Please allow 6 weeks for subscription processing.
Use correct Postal Service abbreviation for State.
Do not omit ZIP code.

MICROFICHE ORDER FORM

MAIL TO:
U.S. DEPARTMENT OF COMMERCE
NATIONAL TECHNICAL INFORMATION SERVICE
5285 PORT ROYAL ROAD
SPRINGFIELD, VA 22181

Enter my microfiche subscription(s) to AGRICULTURAL OUTLOOK (NTISUB/C/151) at \$25.75 first subscription (North American Continent addresses); \$21 each additional; If ordered at the same time to the same address. Other address: \$45 each.

Name _____

Organization _____

Address _____

City, State _____

Zip Code _____

- ☐ Here is my check for \$ _____ payable to NTIS.
- ☐ Charge to my NTIS Deposit Account No. _____
- ☐ Charge to my American Express Card Account Number.

--	--	--	--	--	--	--	--	--	--

Expiration date _____

Signature _____

*Please allow 6 weeks for subscription processing.

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250
OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

POSTAGE AND FEE PAID
U.S. DEPARTMENT OF
AGRICULTURE
AGR 101
FIRST CLASS



3221 ARMLADPERA122 18040 0001
ALBERT R MANN LIBRARY ACQUISI-
TIONS DIV L
PERIODICAL RM
ITHACA NY 14850

To submit a change of address, please cut or peel off the mailing label from your most recent issue of Agricultural Outlook. Mail it along with your new address to: Agricultural Outlook, Room 482 GHI Bldg., ESCS-USOA, Washington, D.C. 20250. Allow 6 weeks for processing.